

## SENATE

FRIDAY, MAY 18, 1956

*(Legislative day of Monday, May 7, 1956)*

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Merciful Father, whose faithfulness is constant, with all our fickleness, whose forgiveness outlasts all our transgressions against Thy holy love, we bemoan the delusions which so often have led us to mistake shadows for substance; we confess that by false pride in our own achieving we have been lulled into cushioned optimism. Now, with jarred and jolted minds, we see the whole circle of the world grown somber and terrible with suspicion and conflict, with rumors of war, and with the smoke of a judgment which engulfs us all.

In this testing day when Thou art sifting out the souls of men before Thy judgment seat, give us that penitence for our own sins, that contempt for our own prejudices, that hatred for our own hate, that shall enable us to put on the whole armor of God as we fight for the emancipation of the downtrodden and exploited, and against the rulers of the darkness of this world, against spiritual wickedness in high places. We ask it in the dear Redeemer's name. Amen.

## DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D. C., May 18, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN C. STENNIS, a Senator from the State of Mississippi, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,  
President pro tempore.

Mr. STENNIS thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1956, was dispensed with.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Hon. JOHN W. McCORMACK, a Representative from the State of Massachusetts, had

been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed, without amendment, the joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message further announced that the House insisted upon its amendments to the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. WILLIAMS of Mississippi, Mr. WILLIS, Mr. WOLVERTON, and Mr. CRUMPACKER were appointed managers on the part of the House at the conference.

## ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World II by organizations composed of persons of Japanese ancestry, and it was signed by the Acting President pro tempore.

## COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The subcommittee of the Committee on the Judiciary considering Senate bill 3143.

The Subcommittee on the Air Force of the Committee on Armed Services.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Subcommittee on Health of the Committee on Labor and Public Welfare.

## EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and act on nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar, under the heading "New Reports" will be stated.

## NATIONAL SECURITY TRAINING COMMISSION

The Chief Clerk read the nomination of Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc, and, without objection, they are confirmed.

## IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I make the same request with respect to nominations in the Navy.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy will be considered en bloc, and, without objection, they are confirmed.

## NOMINATIONS PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read nominations in the Regular Army of the United States, in the Regular Air Force, and in the Navy, reported from the Committee on Armed Services, and placed on the Vice President's desk without being printed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

## LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

## COMMITTEE SERVICE

On motion of Mr. JOHNSON of Texas, and by unanimous consent, it was

*Ordered*, That the Senator from Illinois [Mr. DOUGLAS] be excused from further service as a member of the Committee on Labor and Public Welfare, and that he be assigned to service on the Committee on Finance; and

That the Senator from Louisiana [Mr. LONG] be excused from further service as a member of the Committee on Interior and Insular Affairs, and that he be assigned to service on the Committee on Foreign Relations.

## ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

## AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

## REPORT OF AGRICULTURAL EXPERIMENT STATIONS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on the agricultural experiment stations, for the year 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

## VALIDATION OF PAYMENTS IN SETTLEMENT OF ACCRUED LEAVE MADE TO CERTAIN MEMBERS OF ARMY AND AIR FORCE

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to validate certain payments in settlement of unused accrued leave heretofore or hereafter made to certain members of the Army and the Air Force, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

## AUDIT REPORT ON ARMY INDUSTRIAL FUND, DIAMOND ORDNANCE FUZE LABORATORIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Army Industrial Fund, Diamond Ordnance Fuze Laboratories, Washington, D. C., Ordnance Corps, Department of the Army, for the period September 27, 1953, to June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

## REPORT OF MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration, Department of Commerce, on activities and transactions of that administration under the Merchant Ship Sales Act of 1946, for the period Jan-

uary 1 to March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

## REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

## SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

## GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders issued granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

## PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the Florida South Chapter of the American Institute of Architects, Miami Beach, Fla., protesting against the enactment of legislation to alter the central portion of the Capitol Building in Washington, D. C.; to the Committee on Public Works.

A resolution adopted by the Holy Name Society of St. Jerome's Roman Catholic Church, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treaty-making power; ordered to lie on the table.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 8904. A bill to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement (Rept. No. 2019).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

S. 1637. A bill to extend the time limit within which recommendations for and awards of certain military decorations may be made (Rept. No. 2020).

By Mr. STENNIS, from the Committee on Armed Services, with an amendment:

S. 1961. A bill to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes (Rept. No. 2021).

By Mr. JACKSON, from the Committee on Armed Services, with amendments:

H. J. Res. 261. Joint resolution authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C. (Rept. No. 2018).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 250. Resolution prohibiting the introduction of bills or joint resolutions by two or more Senators jointly (Rept. No. 2022).

By Mr. RUSSELL, from the Committee on Appropriations, with amendments:

H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2023).

## AUTHORITY TO SUBMIT A REPORT BY COMMITTEE ON APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I be permitted to submit a report from the Committee on Appropriations on the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, not later than Monday midnight, May 21.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 3878. A bill directing the Secretary of the Interior to convey certain land situated in the State of Montana to Theresa Brost; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (for himself, Mr. MONRONEY, Mr. LANGER, Mr. HENNING, Mr. NEELY, and Mr. PAYNE):

S. 3879. A bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; to the Committee on the Judiciary.

(See the remarks of Mr. O'MAHONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3880. A bill for the relief of Richard S. Wolfers; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN:

S. 3881. A bill authorizing the demolition and removal of greenhouses and other structures, and the replacement thereof, at the Botanic Garden, and for other purposes; to the Committee on Rules and Administration.

By Mr. BEALL:

S. 3882. A bill to revise and modernize the fish and game laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. EASTLAND:

S. 3883. A bill for the relief of Jew Gim Gee;

S. 3884. A bill for the relief of Mrs. Seto Shun Yee; and

S. 3885. A bill to provide for jury trials in condemnation proceedings in United States district courts; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 3886. A bill concerning gifts of securities to minors in the District of Columbia;

S. 3887. A bill to amend the act entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," approved June 29, 1938;

S. 3888. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended;

S. 3889. A bill to amend the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944, as amended; and

S. 3890. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; to the Committee on the District of Columbia.

By Mr. DIRKSEN (by request):

S. 3891. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only with respect to that portion of the amount paid for any admission which is in excess of \$1; to the Committee on Finance.

By Mr. GOLDWATER:

S. 3892. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3893. A bill to authorize the furnishing without charge therefor, from data collected by the Bureau of the Census, of data necessary or useful to individuals who have filed, or who desire to file, application for old-age assistance benefits; to the Committee on Post Office and Civil Service.

#### A BILL TO GIVE AUTOMOBILE DEALERS THEIR DAY IN COURT

Mr. O'MAHONEY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may be allowed to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wyoming may proceed.

Mr. O'MAHONEY. Mr. President, on behalf of myself, the Senator from Oklahoma [Mr. MONRONEY], the Senator from North Dakota [Mr. LANGER], the Senator from Missouri [Mr. HENNINGS], the Senator from West Virginia [Mr. NEELY], and the Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3879) to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the dis-

trict courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers, introduced by Mr. O'MAHONEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. Mr. President, let me say that some of the sponsors of the bill are members of the Judiciary Committee's Subcommittee on Antitrust and Monopoly, on the one hand, and others are members of the Interstate Commerce Committee's subcommittee headed by the Senator from Oklahoma [Mr. MONRONEY], which carried on the investigation of the practices of the automobile industry in interstate commerce. This bill is intended to supplement the antitrust laws of the United States, so as to balance the power now heavily weighted in favor of automobile manufacturers, by enabling local auto dealers to bring suit in the United States district courts to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in terminating or not renewing their franchises.

#### DEALERS UNDER CONTROL OF MANUFACTURERS

The investigations conducted in 1955 by Senator MONRONEY for the Automobile Marketing Subcommittee and by myself for the Senate Judiciary Subcommittee on Antitrust and Monopoly have already produced far-reaching promises of improved relationship between manufacturers and dealers in the automobile industry. It was clearly demonstrated by the facts and admissions developed under oath in the two investigations that local dealers in automobiles have for years been completely under the actual control of the manufacturers, and that they have been subjected to coercion and intimidation which have deprived them of economic freedom.

Although the dealers have invested their own capital in the establishment of their local facilities and in the purchase of the cars and equipment they were expected to sell, they were not their own masters in their own shops. On the contrary, they were under the domination of the manufacturers and agents and representatives of the manufacturers and had no public forum in which their disputes could be adjusted except in those provided by the manufacturer. The individuals before whom they were required to take their pleas for the adjustment of grievances were not impartial because they were the paid employees of the manufacturers.

So far as the automobile industry was concerned big business had established its own judicial system to handle the complaints of the dealers. This was a system wholly out of harmony with the American system of adjudicating conflicts arising out of contracts. It was a system which, if followed by all big business, would have destroyed completely the procedure established under the Constitution of the United States for the adjudication of such problems. It

was a system, the effect of which was to make the dealers independent in name only, and to deprive them of the right to sue for justice in the courts established under the American Constitution.

#### NEITHER GOVERNMENT NOR INDUSTRY HAS POWER TO CONTROL FREE ENTERPRISE

The men who established our form of Government deliberately undertook to frame a Constitution which would preserve the individual from arbitrary control by Government. An industrial system which makes the dealer the pawn of the manufacturer is in complete conflict with the ideal of impartial justice established by the Founding Fathers.

To make sure that the Government could not control the people, the Constitution divided the powers of Government. To Congress it gave the exclusive power to make the laws. To the President, it gave the executive power to carry out the laws made by Congress. To the courts, it gave the independent power to adjudicate all cases arising under the Constitution and the laws.

The history of the automobile dealer franchise has demonstrated the complete inability of the dealer to obtain redress for any of his grievances with the manufacturer. The hearings dealing with General Motors last fall highlighted the one-sided character of the franchise. These hearings revealed that the automobile manufacturers have used their superior power and bargaining strength with individual dealers so as to require dealers, as a condition of doing business, to enter into one-sided agreements in which the automobile manufacturer obtained many rights and benefits without assuming any of the obligations.

The evidence produced at the hearings over which Senator MONRONEY and I presided made it perfectly clear that the manufacturers wanted to hold in their own hands complete control over the dealers. If the framers of the Constitution were careful to provide that the Government itself has no power to control the people, then surely it must be plain that no industrial corporation, however big it may be, has the power of control which the people denied to the Government.

That the automobile manufacturers want this power has been clearly demonstrated by what has happened since the hearings of the two committees. The spokesmen for both General Motors and Ford have made it plain that they wanted no United States court sitting in judgment between themselves and their dealers. Because of what was revealed at our hearings they have made many concessions with respect to the franchises to be issued by the dealers. But with all the concessions that they have made as a result of the public hearings of Congress, they are still attempting to retain for themselves the final power to adjudicate disputes and cancel franchises. There is a string attached to every concession they have promised; and unless the doors of the Federal courts are opened to the automobile dealers, they will continue to remain the pawns of the manufacturers.

This our bill does. It opens the door of the Federal court to the local dealer.

It provides, under the United States Constitution, a system which will deal justly with both the manufacturer and the dealer. It gives the Government no control over the contracts, but it does deprive the manufacturers of the control they will continue to exercise, even though the concessions promised are granted.

The bill I introduce today, therefore, is one which should appeal to the manufacturers as well as to the dealers, because it places the adjudication of disputes, not in the hands of an arbiter selected and paid by the manufacturer, but in the hands of the judges appointed by the President and confirmed by the Senate, under the American system.

#### GOOD-FAITH PRINCIPLE OF ANCIENT ORIGIN

The good-faith principle had its origin in ancient days when, in a dispute over a contract, the courts looked beyond the terms of the contract which the parties had made; and when it appeared that one of them was obliged to sign, the courts applied the principles of equity, in order to protect the party which had been subjected to coercion. These courts of equity realistically appraised the differences in the bargaining position of the parties, and concluded that if the evidence showed that one of the parties was under coercion or intimidation by the other, or was the victim of the superior power of the other, there should be imposed by law upon the party possessing such power an obligation to treat fairly with the other. This is the purpose of this bill.

I ask unanimous consent that the bill may be printed in the RECORD.

There being no objection, the bill (S. 3879) was ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.—*

SEC. 1. As used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, station wagons, or other automotive vehicles, including any person, partnership, or corporation which acts for such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the agreement, contract, understanding, or arrangement between any automobile manufacturer and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement, contract, understanding, or agreement.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, station wagons, or other automotive vehicles.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of the automobile manufacturer, its officers, employees, or agents to act in a fair, equitable, and nonarbitrary manner so as to guarantee the dealer freedom from coercion,

intimidation, or threats of coercion or intimidation, and in order to preserve and protect all the equities of the automobile dealer which are inherent in the nature of the relationship between the automobile dealer and automobile manufacturer.

SEC. 2. Any automobile manufacturer engaged in commerce who makes or grants any franchise to an automobile dealer, shall have the duty to act in good faith in all dealings or transactions with such dealer.

SEC. 3. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover twofold the damages by him sustained and the cost of suit, including a reasonable attorney's fee, by reason of the failure of said automobile manufacturer to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer.

#### REVISION OF CIVIL SERVICE RETIREMENT ACT—AMENDMENTS

Mr. JOHNSTON of South Carolina. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, and request that it be printed and lie on the table.

The proposed amendment establishes a threefold ceiling on the amount of annual benefits which may be paid to surviving children.

First. The amount to any one child may not exceed \$600.

Second. The total benefit to one or more children may not exceed 40 percent of the deceased employee's average salary.

Third. The total may not exceed \$1,800 irrespective of the fact that 40 percent of the deceased employee's salary might be in excess of such an amount.

The above limitations apply in the case of surviving children with one parent still living. In the case of children with neither parent living, the ceilings are approximately 20 percent higher.

In no event could total family benefits—widow plus children—exceed 80 percent of a deceased employee's average salary. The earned annuity of an employee cannot exceed 80 percent of his average salary. In the event of his death, his widow receives 50 percent of his earned annuity, thus in no case could her benefits be in excess of 40 percent of the employee's average salary which together with the 40-percent limit on benefits to children would make a total not in excess of 80 percent. It should be appreciated that it would take a combination of, first, long years of service on the part of the deceased employee; and, second, a large number of surviving children for the total family survivorship benefits to even approach the 80-percent figure.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

Mr. JOHNSTON of South Carolina. Mr. President, I also submit amendments, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, which I request may

be printed and lie on the table. These amendments are of a perfecting nature, to correct typographical, grammatical, and other errors of a like nature.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table.

#### FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENT

Mr. KERR submitted an amendment, intended to be proposed by him, to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, which was ordered to lie on the table and to be printed.

Mr. CHAVEZ. Mr. President, I submit amendments, intended to be proposed by me, to House bill 10660, the Federal-Aid Road Act. I ask unanimous consent that a statement prepared by me relative to the amendments may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. CHAVEZ is as follows:

#### STATEMENT BY SENATOR CHAVEZ

##### SAFETY PROGRAM

It apparently is the feeling of the Bureau of Public Roads that the authorization in the 1954 act was not sufficiently broad to permit them to undertake a comprehensive study of all phases of traffic safety. They have made studies which relate to the engineering and physical characteristics of highways, but they have not undertaken a study of uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, etc.

It would seem that the attached amendment, which is similar to that proposed by Congressman BLATNIK, would clarify the intent of Congress in the field of safety and might be advanced as a committee amendment to S. 10660. The amendment proposed by Senator HUMPHREY is along the same lines, but it may not clarify the intent of Congress to the Bureau of Public Roads. It seems that it would be desirable to specify the studies desired and also the monetary limitations.

Section 14 of the Federal Aid Highway Act of 1950 authorized the Commissioner of Public Roads to assist in carrying out the action program of the President's Highway Safety Conference and to cooperate with State highway departments and other agencies in a program to advance the cause of safety on streets and highways. There was authorized not to exceed \$75,000 annually for this purpose.

Section 9 of the Highway Act of 1952 continued the authorization as contained in the 1950 act and increased the authorization for funds to \$150,000 annually.

Section 10 (a) of the 1954 act authorized the Secretary of Commerce to engage in research on all phases of highway construction, reconstruction, modernization, development, design, maintenance, safety, financing, and traffic conditions, including testing, etc. The funds required were to be taken out of the administrative and research funds.

## RULES OF INTERPRETATION GOVERNING QUESTIONS OF EFFECT OF ACTS OF CONGRESS ON STATE LAWS—ADDITIONAL COSPONSORS OF BILL

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the names of the Senator from Indiana [Mr. JENNER] and the Senator from South Carolina [Mr. WOFFORD] may be added as co-sponsors of the bill (S. 3143) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. ELLENDER:

Address delivered by him at New Orleans, La., on May 12, 1956, at the 57th annual meeting of the Rice Millers Association.

By Mr. BIBLE:

Statement by him on observance of Armed Forces Week and the National Broadcasting Co.'s Wide, Wide World television program of May 13, 1956.

By Mr. HRUSKA:

Statement prepared by him relative to Rumanian Independence Day.

## TWO GREAT AND DISTINGUISHED CHAIRMEN RETIRE

Mr. MANSFIELD. Mr. President, as eloquently stated on numerous occasions in the past week, it was with a sense of deep sadness that the Senate of the United States learned that our distinguished colleague and friend the senior Senator from Georgia [Mr. GEORGE] had announced that he had decided not to run for reelection, and that he would be relinquishing his post as "dean of the Senate," chairman of the Senate Foreign Relations Committee, and adviser and counselor to all, on both sides of the aisle.

I know that the people of Georgia will miss him in the Senate, the people of the Nation's Capital will miss him, but, above all, the people from all parts of the United States will miss him. Senator GEORGE has filled the capacity of a Senator at large for the entire Nation, a recognized leader of national standing.

The people of my State of Montana will miss the senior Senator from Georgia, a man so distinguished in affairs of state, both domestic and international. Montanans have paid tribute to the President pro tempore in the editorial columns of the State's newspapers.

At this point in my remarks I ask unanimous consent that 2 editorials be printed, 1 from the Daily Missoulian of May 11 and 1 from the Billings Gazette of May 12.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Daily Missoulian of May 11, 1956]

### TURN OF THE POLITICAL WHEELS

WALTER F. GEORGE, of Georgia, has been a constructive Member of the United States

Senate for a very long period, politically speaking.

He arrived in the Senate on November 8, 1922, just after election to fill a vacancy created by death. He was then 44. Now, at 78, he announces that "for good and sufficient reasons" he will not be a candidate for renomination in Georgia's Democratic primary this year.

One of those reasons undoubtedly is the senatorial aspirations of 42-year-old Herman E. Talmadge, a former governor who for months has been stumping the State with a view to replacing Mr. GEORGE when his term expires next January.

Some of the things Talmadge says about the veteran GEORGE, now the dean of the Senate, have a familiar ring. He pounds hard on the theme GEORGE has been in the Senate so long that he has lost touch with Georgia, and that he is more interested in national and international affairs than the welfare of the people of Georgia.

Probably every year since he arrived in the Senate, back in 1922, Mr. GEORGE has seen colleagues edged out on such premises.

One of the Senate veterans when Mr. GEORGE was sworn in was Senator Porter J. McCumber, of North Dakota, then chairman of the blue ribbon Finance Committee—through which must pass all tax and other revenue raising measures. But as GEORGE went in McCumber was on his way out. In his 24th year as a Senator, a few months earlier McCumber had been defeated for Republican renomination on the contention that he had been away from North Dakota too long. The primary victor, who also won the November general election, was Lynn J. Frazier, a former governor who at the time was the idol of the Nonpartisan League. Eighteen years later Frazier was ushered out of the Senate in the same way, by the voters in the Republican primary of 1940.

HARRY FLOOD BYRD, of Virginia, now is one of the Senate's pillars, its fourth ranking Member in point of seniority. But a quarter of a century ago he was like Herman Talmadge, of Georgia, a former governor with a good record and a strong statewide following—eager to break into the Senate.

The obstacles were the Virginia incumbents, Claude A. Swanson and his veteran junior colleague, Carter Glass. Swanson had been consecutively Representative, Governor, and Senator since 1893. The span was snapped at the end of 40 years—with Byrd as his successor in the Senate—when Mr. Swanson resigned to accept a 1933 appointment as President Franklin D. Roosevelt's Secretary of the Navy.

That probably averted a Byrd-Swanson clash in the 1934 Virginia primary, just as GEORGE's current abnegation has erased from the 1956 political schedule a much heralded George-Talmadge contest in Georgia.

Along the way Senator GEORGE has overcome many obstacle in retaining his seat, among them a purge attempt by President Roosevelt in 1938. Senator GEORGE, yielding to the inevitability of time and the tide of events, is bowing out of the Senate with the same serene dignity with which in his heyday he turned back the unseating effort of President Roosevelt.

[From the Billings Gazette of May 12, 1956]

### ELDER STATESMAN RETIRES

Senator WALTER GEORGE, of Georgia, has announced that he will not be a candidate at the forthcoming election to succeed himself. While this decision not to run again will be regretted, it is probably a wise one, from the standpoint of the aged son's personal welfare. The Senator was 78 years old last January. He has said that his health is not too robust, and he doubtless feels that he is not up to making another hard campaign. Although former Gov. Herman Talmadge had not filed as a candidate for the

Democratic nomination against GEORGE, it was common knowledge that he has intended to make the race.

In a contest against Talmadge the odds would have been in favor of the younger man. A defeat would have left a blot on one of the most distinguished records ever compiled by a Member of the United States Senate. First elected in 1922 to fill out the unexpired term of Senator Tom Watson, who died in office, Senator GEORGE will have served continuously in that position for 35 years when his present term expires next January. During that long period of service his independence, intellectual integrity, and talents for statesmanship have won the increasing admiration of all his colleagues.

Because he could not conscientiously support some of the measures of the New Deal program, President Franklin Roosevelt placed the name of the Georgia Senator on the list of those Members of Congress he wished to purge in 1936. He went down to the Senator's home State and delivered a speech attacking GEORGE, but to no avail. The voters rallied to the support of their leader and re-elected him by an increased majority.

Ever since our Government has become ever more deeply involved in world affairs Senator GEORGE has been an influential factor in the development and conduct of foreign policies. President Eisenhower and Secretary of State Dulles have sought and relied upon his support in the management of the administration's foreign relations. He has never hesitated to disagree with them, but his disagreements have never once been motivated by partisan political considerations. The high regard in which he is held by the President is evidenced by the latter's prompt statement, upon learning of the Senator's decision to retire, that he hoped to find some congenial position in the Government service that will enable him to have the advantage of frequent consultation with the veteran legislator on matters affecting the administration's foreign policy.

Mr. MANSFIELD. Mr. President, the only consolation, and it is a sound one, in the Senator's departure from the Hill is that he will continue to serve this country as the President's special ambassador to the North Atlantic Treaty Organization. I sincerely hope that he will return from time to time, enabling those of us in the Congress to have the benefit of his advice and counsel.

Mr. President, not only is Congress losing one great statesman, but the Honorable JAMES P. RICHARDS, chairman of the House Foreign Affairs Committee, has also announced his intention to retire from Congress at the end of the present term after 24 years of service. DICK RICHARDS and his charming wife, Katharine, have decided to go back home to their farm in South Carolina, where they plan to spend their remaining years. It will be difficult for Mrs. Mansfield and me, as well as for our colleagues, to see them leave the Washington scene, but I am sure they will be back many times in the days to come to visit with us and to give us the benefit of their sound advice, which has been such a tower of strength in the past.

I served with Mr. RICHARDS on the Committee on Foreign Affairs, and I can say without qualification that seldom have I worked with a man of such untiring energy, wise statesmanship, and sound understanding, a man so constantly devoted to his duties as a representative of the people from his State and the Nation. His years as chairman of the Foreign Affairs Committee have

been marked by a wise and sane leadership in a time when there has been and is constant turmoil in our international affairs.

The loss of these two chairmen of the congressional committees concerned with American interests in world affairs will create vacancies difficult to fill. The record and standards set down in the field of world affairs by these two great statesmen will make the task somewhat easier. Again, I say we in Congress will be most fortunate in having access to their advice and knowledge in the years to come.

The Congress, the Nation, and the free world are the better off because of the accomplishments of these two great Americans from Georgia and South Carolina. Chairmen GEORGE and RICHARDS have left their imprint on the course of history and both will be remembered with gratitude and affection in the years ahead.

Mr. President, I ask unanimous consent that at this point in my remarks I may have printed in the RECORD a news article from the New York Times of Friday, May 13, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**MAN IN THE NEWS—A QUIET CONGRESSMAN:  
JAMES PRIOLEAU RICHARDS**

WASHINGTON, May 17.—The Pittsburgh Pirates lost a budding prospect for their outfield a few decades back when JAMES PRIOLEAU RICHARDS chose law over baseball.

As a result of that decision, Mr. RICHARDS now is winding up 23 years in Congress in a style that can only make the Republican administration wish he had stayed with baseball.

Today, as chairman of the House Foreign Affairs Committee, Representative RICHARDS was in the vanguard of congressional forces that dealt the President's foreign-aid proposals a severe defeat. President Eisenhower, who was a pretty good pitcher at West Point, might well be wishing tonight that Mr. RICHARDS had accepted that offer from the Pirates.

The foreign-aid action and the coming fight on the House floor will be Mr. RICHARDS' curtain bow on the congressional stage. He is quitting this year and going back to South Carolina to practice a little law, hunt, fish, and tend to his cattle.

Though his position makes him one of the most important men in the House of Representatives, he remains relatively unknown compared to his compeer, Senator WALTER F. GEORGE, of Georgia, chairman of the Senate Foreign Relations Committee.

**RICHARDS' ANGER RECALLED**

The reasons for this are two:

First, Mr. RICHARDS, a persuasive southern internationalist of judicial training, is not given to the political grandstanding of which Washington headlines are made.

Second, the House committee never has attained the pivotal importance of the Senate group, largely because the Constitution charges the Senate with the greater responsibility for overseeing the conduct of foreign affairs.

On occasion, the administration tendency to treat the House group as a poor cousin of the George committee has moved Mr. RICHARDS to jealous defense. Last February, for example, he denounced the administration for treating the House like a "weak-minded, illegitimate son" and got an apology from the State Department.

The Capitol consensus is that the House committee has gained fresh prestige under his direction.

Mr. RICHARDS, born in Liberty Hill, S. C., in 1894, is now a robust 61 years old. He is a big man, tall and powerfully built, and his carriage still is that of the athlete. A full shock of silvery gray hair and a deep ruddy complexion round out the picture of a politician who even now would not look out of place in the role of baseball manager.

He began as a farm boy and took a year at Clemson College with the idea of mastering the agricultural sciences. At the end of the year he was interested in law and shifted to the University of South Carolina.

By 1921 he was in practice back in Lancaster, near his home, and a year later he was launched into politics as county probate judge. He held that office until South Carolina sent him to Congress in 1933.

In World War I he enlisted a few days after President Wilson's declaration, served in France with a trench mortar battalion, and rose from private to second lieutenant.

His appointment to the Foreign Affairs Committee came in 1935. As chairman he shares with Senator GEORGE the chief burden of congressional responsibility for this country's international affairs. The position also calls for him to share in the formulation and development of foreign policy through prior consultations with the executive branch.

The job is a full-time one and leaves little leisure for the hunting and fishing that are his favorite pastimes. He lives with his wife, Mrs. Katharine Wylie Richards, in Georgetown, and has a son and a daughter in college and another son practicing law in South Carolina.

He has not been entirely lost to farming. When he leaves Washington this summer he will divide his time between law practice and his cotton and cattle farm in Heath Springs, near Lancaster.

An old friend, summing him up today, said:

"He's just a real old down-to-earth South Carolinian who loves to hunt and fish, loves his farm, and loves his cows."

**EXTENSION OF SUGAR ACT OF 1948—  
CONFERENCE REPORT**

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, I note, in looking at the RECORD, that on yesterday the conference report on the extension of the Sugar Act of 1948 was agreed to. I am indeed sorry I was not on the floor at that time, because there were some remarks I had intended to make then which I shall make now.

I had occasion during the debate on the sugar bill to call the attention of this body to the statement made by an old friend and colleague in Congress, Gen. Carlos P. Romulo, Ambassador of the Philippines to the United States. In that statement he pointed out that under the bill we were about to pass, the Philippines were singled out, among the major areas, for exclusion from the benefits of increased consumption of sugar in this country.

I am told that this was done in accordance with the recommendation of the State Department that any increase in the Philippine sugar quota be considered when the sugar legislation is next amended, and when the Philippine sugar had become subject to our customs duty.

Mr. President, sugar from the Philippines this year begins to pay 5 percent of our duty under the Revised Trade Agreement with the Philippines, so that it has met one of the conditions mentioned by the State Department. I wish to state now that I believe the Philippines has not been given a square deal in this bill, and that it is my hope that this injustice can be corrected at an early date.

Mr. President, we must not allow a country such as the Philippines, which has been such a loyal and courageous ally, to be the victim of discriminatory legislation on our part. We must correct the injustice as soon as possible, and I hope that when next the sugar bill comes up for consideration, the Congress will give serious consideration to the needs of the Republic of the Philippines.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. I am sure there was no intention or desire on the part of the American Congress to discriminate against perhaps one of our oldest friends in the Pacific, the Republic of the Philippines. It was pointed out on the floor yesterday by the distinguished Senator from Georgia, the chairman of the Committee on Foreign Relations [Mr. GEORGE], and other Senators, in the colloquy which took place, that our relations with the Philippines with reference to sugar were governed by treaty, and that it was not appropriate, under the circumstances, to deal with the matter in this particular legislation. As the Senator from Montana knows, in any event there was no method of amending the conference report in order to take care of the situation about which Ambassador Romulo and others had expressed concern.

I am sure that the long history of the friendly relationships between the Republic of the Philippines and the United States of America will work toward the solution of any problem along this or any other line, so that an equitable adjustment may be brought about. I would not want the impression to be received in either that part of the world or elsewhere that there was an act of discrimination by the United States Congress, because I am sure that was not intended, and I am sure the Senator from Montana fully agrees that there was no intent to discriminate.

Mr. MANSFIELD. Mr. President, in answer to the distinguished minority leader, let me say that I am in full accord with his remarks. I realize there was no chance on yesterday to amend the conference report, and I am heartened, and I know the Republic of the Philippines will be heartened, as well, by the assurances he has given on the floor this morning to the effect that in the future the Philippines will receive full and complete consideration in connection with any legislation of this kind enacted by Congress.

**RURAL ELECTRIFICATION THREAT-  
ENED BY RISING POWER COSTS  
AND INADEQUATE POWER SUPPLY**

Mr. MURRAY. Mr. President, on May 20, 1936, 20 years ago this month, President Franklin D. Roosevelt signed

the Rural Electrification Act. Known as the Norris-Rayburn Act, after its sponsors—Senator George W. Norris, of Nebraska, and Representative SAM RAYBURN, of Texas—the act formally wrote into the law the rural electrification program begun a year earlier, in May 1935, when President Roosevelt had established the Rural Electrification Administration by Executive order.

Public Power magazine is the official publication of the American Public Power Association, a national management organization representing over 800 publicly owned electric systems throughout the country. The current issue of this magazine contains an article by Mr. John M. Carmody, a former Administrator of the Rural Electrification Administration, which deserves careful reading and thoughtful consideration by everyone who believes that farm families are entitled to the continued benefits of low-cost electricity. Mr. Carmody writes from first-hand knowledge of the early struggles of REA against the private power monopoly, and warns of the present dangers to the REA movement. He says:

Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.

The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I ask unanimous consent to have Mr. Carmody's article printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POWER SUPPLY SEEN GREATEST WEAKNESS  
SINCE EARLY DAYS OF REA PROGRAM  
(By John M. Carmody)

Rural electrification has had such phenomenal growth during the past 20 years that one hesitates at this late date to review some of the difficulties that nearly choked the young Rural Electrification Administration program to death before it really got its roots down. I do it only because I see a relationship between those early days and present moves to cripple rural electric cooperatives.

Some of those early troubles were external, some internal. REA passed through and survived at least two serious crises. One was during its first year, when the organization was flirting with private utilities in the hope that they would borrow cheap money and build rural extensions to their lines. The other crisis came almost immediately after REA was transferred, by unfortunate congressional action, to the Department of Agriculture. That one lasted nearly 2 years. The record of that bungling, internal crisis is so clearly stated by published reports that I shall do no more than mention it here.

Now, in my view, REA is faced with another crisis, this time external, with an internal assist called by the teasing name of "partnership." Recommendations of the Hoover Commission, if approved by the Congress, would drive these splendid farmer-owned electric cooperatives, which already have survived two crises, into the clutches of New York investment bankers for control by them and their private utility clients. Could anything be worse?

Investment bankers and private utilities already have demonstrated their influence—witness attacks on TVA, the Dixon-Yates scheme, the abandonment of Hells Canyon, abominable restrictions by the Department of the Interior and a general softening on essential REA generating plants and transmission lines. Only separately and through their own organization can the REA electric cooperatives weather this attack. It is because this attack is related in some respects to an earlier crisis in REA that I think it useful to relate some of REA's early history.

The program started simply enough, Morris Llewellyn Cooke, appropriately the first administrator, for many years had needed private power companies to extend electric service to more farm families. The Giant Power Survey sponsored by him and Gov. Gifford Pinchot, of Pennsylvania, in the early 1920's, a project to encourage generation of electricity at various coal mines to transmit energy by wire rather than by railroad cars, was one phase of this endeavor. Subsequently, when Gov. Franklin Delano Roosevelt, of New York, appointed Mr. Cooke, a Pennsylvania Republican, to be a member of the New York State Power Authority he was able to pursue his studies into the cost and feasibility of providing rural service.

Incidentally, by way of momentary digression and because it has a bearing on the origin of REA, Mr. Cooke was the first person to say to me, long before speculation became general, "Governor Roosevelt will be the next President of the United States." We were sitting together at dinner at Princeton University where John D. Rockefeller III, a Princeton graduate, was addressing a dinner meeting during a management conference that both of us were participating in. I recall it distinctly because it was a new thought to me, in view of Mr. Roosevelt's invalidism and because it was long in advance of the Chicago convention. I mention it here because it was President Roosevelt who started REA on its way with Mr. Cooke as the first Administrator, 2 years after he had approved Senator George Norris' plan for TVA.

At the time of the Princeton dinner, Mr. Cooke was still a member of the New York State Power Authority, and I was editor of a management journal in New York. Both of us were active in the affairs of the Taylor Society, a widely known management society which later merged with the Society of Industrial Engineers, of which I was president, to become the present-day Society for the Advancement of Management.

Neither of us could know, as we listened to young Mr. Rockefeller at Princeton and talked about Governor Roosevelt's future that both of us were later to be active in a fabulous new organization, REA. Mr. Cooke was the first Administrator, and I was Deputy Administrator briefly, and later Mr. Cooke's successor as the second Administrator.

I have said the program started simply enough. Mr. Roosevelt became President, as Mr. Cooke had predicted. As President, he approved and encouraged a broad river basin study of the Mississippi River Valley, that Mr. Cooke promptly proposed. That study furnished further evidence of the need for increased rural electric service.

The study and report came at a propitious time. Relief funds were available to put idle men to work if worthy projects could be found. Why not electrify more farms? Mr. Cooke suggested an answer: set aside some of the available recovery funds for that purpose.

It was on May 11, 1935, that President Roosevelt issued an Executive order that made \$100 million available for rural electrification. Rural electrification, therefore, has 2 birthdays, 1 to commemorate this event and another to mark the passage by the Congress on May 20, 1936, of the Norris-Rayburn Act. It was this act that definitely provided for preference in loans to cooperatives, municipalities, and other public bodies.

To implement the Executive order of May 11, 1935, a small staff was assembled, chiefly engineers and lawyers. If private utilities borrowed the new, low-cost money, as was expected, a few persons experienced in the utility field would suffice. The program was started on that basis. It seemed logical enough at that time. The private utilities had the facilities and the know-how. Cheaper money than they normally borrowed was being offered to them.

Conferences were held with many private utility executives. Discussions went on for months. Applications for loans were piling up. Farm men and women were growing impatient. They began to organize their own cooperatives. Farm Bureau groups in some States, Indiana and Ohio particularly, set up their own rural electrification organizations to assist their members in getting loans and in doing the necessary planning, surveying, engineering, and construction. Some loans were made to these groups. REA engineers did a splendid job of developing totally new standards for rural construction that cut costs materially, thereby giving borrowers many more revenue miles per dollar cost.

But discussions with private power companies went on. The hope that they would borrow this low-interest money, build extensions to existing lines, reduce rates and provide real rural service on an area coverage basis died hard with sturdy individualists on the staff who were shaping policy. Convinced finally, however, that the private power companies had no intention of taking advantage of his generous offer, with appropriate conditions attached, the Administrator turned to the cooperative method, as several members of the organization had been recommending. A whole year had passed, and, although several loans had been approved, only \$5 million had been paid out for actual construction of approximately 5,000 miles of line—a drop in an oaken bucket.

Mr. Cooke saw the handwriting before some of his close associates and advisors, especially the chief counsel and top consulting engineer, an oldtime utility operator. The Administrator was aware of the deficiency in line construction, but he did not wish to let the President or Senator Norris down. He was tired. He needed a rest. He wanted to resign. When I told him I was leaving the National Labor Relations Board, of which I was one of the original members, he asked me to come in as Deputy Administrator, with the understanding with him and with President Roosevelt that I would succeed him as Administrator when his resignation became effective. I accepted.

Mr. Cooke has been criticized for offering the new program with its low-cost money to private utilities and especially for not realizing earlier in the long, drawn-out negotiations that the private utilities had no intention of meeting his terms—lower rates and area coverage. I think it should be said, in defense of that position, that it seemed more important to him and to some of his close advisers that rural areas get electricity than how they got it. They knew no other way than to have existing private companies do the job. Those closest to him at that time distrusted cooperatives, even when he began to see them as the way.

I believed REA cooperatives would provide the answer to the farmers' need for electric service; I gave recalcitrant private utilities no quarter. Honest indignation sometimes is a useful administrative instrument.

The long debate had been costly. Much precious time had been lost. The worst feature of the resultant delays, however, was the opportunity given to and seized upon by many private power companies to build spite lines. In some cases, in this cream-skimming process, embryonic electric cooperatives were completely destroyed, leaving large numbers of farm families completely without service. Some of them may never

get it. That was the unfortunate, destructive side of the program.

It had another side, a constructive one. The tough fight led to the development of even stronger electric cooperatives than might otherwise have been built on a wide scale. But here we have the real heart and strength of the REA program. Spite lines and vicious propaganda backfired.

Farm men and women are building and operating their own lines which they will own ultimately. They are in business for themselves with their neighbors. They live together, they work together, they fight together for their common interests and the common good. REA has grown up, thanks to the devotion rural men and women have given it. It will live if these men and women do not forget its early struggles. It will live if they do not go to sleep and permit the Hoover Commission proposals—sweetly worded proposals to destroy them—to prevail with the Department of Agriculture, the Administration and Congress.

Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.

The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I did not learn of the internal schism between private company operation and cooperatives until I was pitched into it as I began to get hold of operating problems. That was September 1936, more than a year after the executive order establishing REA and 4 months after the Congress had passed the Norris-Rayburn Act. The fight was still on. As so frequently happens in such internal organizational disputes, clashing personalities as much as principles kept the pot boiling. It was just as well, I think as I look back, that my colleagues did not know that I knew private utility philosophy and practice from away back. I had followed the Federal Trade Commission's investigation into private utilities in the 1920's carefully and knew their tricks. Mr. Cooke's general counsel, for instance, told me, "We do not intend to build any generating plants." This was after the first cooperative project in Pennsylvania had been nearly snuffed out by "spite lines" built by nearby private utilities whose quoted wholesale rates were so outrageous that only a generating plant or a threat to build one would bring them to their senses. In this case, the mere threat to build one did just that.

We really got rolling early in 1937. All hope that private power companies would do more than a "dog in the manger, spite line" job was abandoned. The REA organization concentrated on organizing and serving farm electric cooperatives in every appropriate way.

The program was alive. Enthusiasm ran high in REA and throughout rural areas. Buried projects were dug out of many desks. The status of every project from application to construction was put on the table in full view of the entire staff for examination and reexamination at what we called our weekly production meetings. There were no private decisions. Every delay in any department had to be explained.

The weakest thing about REA then and now, in my view, is the necessity to depend on private power companies for energy. Even now, when private utilities find this REA business so profitable as to offer wholesale rates greatly reduced from those early antisocial, holdup days, it still constitutes a weakness.

Further development of two sources of energy may fill this gap. I refer to solar energy, still over the horizon, and atomic energy, on the brink of practical usefulness. After the Government has spent billions to bring atomic energy within reach of all of our people, private utilities are scheming desperately to grasp monopoly control of nuclear generation of electricity.

Here lies a new challenge to rural electric cooperative members to protect their investment and their successors.

Those early excessively high wholesale rates constituted a form of robbery. With the exception of Michigan, after Frank Murphy became Governor, and Pennsylvania where Richard Beamish was a member of the public service commission, almost every public service commission gave REA a hard time. I am aware of all the weakness of regulation generally, a sort of captive operation, but I never understood the cruel attitude of regulatory agencies toward farm groups who only wanted electricity. They were not asking special privileges. Few State legislatures were friendly to cooperatives.

The first REA generating plants were built in 1937, soon after I became Administrator. We should have built them earlier, and more of them, but these first ones had a wholesome effect immediately on wholesale rates in many places. Others followed, but I always have regretted we did not build more of them. I always have felt that some of the municipals missed an opportunity to tie town and country closer together at that time.

I cannot "warm up" to the new-fangled, phony "partnership" plan, nor can I believe that the best interests of REA electric cooperatives are served by throwing them to the private utility wolves on any pretense of saving money or getting better management. Plenty of lip service, but the knife has a keen edge.

#### THE LATE DAVID P. CONNERY

Mr. McNAMARA. Mr. President, yesterday there was laid to final rest a man who was much more to me than my administrative assistant. He was my friend.

David P. Connery was my friend for many years. In January of 1955, he and I came to Washington—two men, not so young in years, but young in the ways of the United States Senate. Together, we worked to make the best contribution possible to this great body, to the people of Michigan, and to our country. The very fact that I became a Member of this body was due in large measure to Dave Connery, who was a tireless worker in my campaign.

Dave Connery was a man of kindness and courage. His kindness was evident in every act. He loved people. And all of us who knew him and worked with him returned that love and respect.

His great courage was never more evident than in the final months of his life. Dave Connery, at the age of 60, died of cancer. Yet, from the time he first was hospitalized last July, he never gave up hope or the fight for life. At the National Institutes of Health, where he finally passed away last Sunday, the doctors have utilized every bit of medical knowledge in their possession, not only to save his life, but the lives of countless others victimized by cancer. I know that Dave would salute them for their valiant efforts, and he would hope that what they learned from him will aid others.

Dave Connery was a Canadian by birth. He chose newspapering as a career, eventually serving for many years as city editor of the Windsor Star in Windsor, Ontario. He was a friend of the working people, serving at one time as assistant to the Ontario Minister of Welfare and the president of the United Auto Workers.

It is impossible to say in words how we will miss Dave Connery, but I know that I have benefited immeasurably from knowing him.

Personally, and on behalf of the members of my staff, I extend our deepest sympathies and condolences to his widow, Mrs. Dena Connery, his son, Lance, and the other members of his family.

Mr. President, I ask that several messages be printed in the RECORD at the conclusion of my remarks.

There being no objection, the messages were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,  
Washington, D. C., May 15, 1956.

HON. PATRICK McNAMARA,  
United States Senate,  
Washington, D. C.

DEAR PAT: Please accept the heartfelt sympathy of Maurine and me—and of all my staff—upon the untimely and tragic death of your administrative assistant, David P. Connery. All of us liked and respected Dave, and he had made himself a part of the Senate community in a very short time. John Jones, who had worked with Dave, particularly asks to join in this brief expression of sympathy.

I do hope you will extend our condolences on to that very attractive woman, Mrs. Connery, and also please accept them for yourself for we know how much you relied on Dave for friendship and for assistance.

With all good wishes, I am,  
Sincerely,

RICHARD L. NEUBERGER.

MAY 15, 1956.

Mrs. DAVID P. CONNERY,  
3636 16th Street NW.,  
Washington, D. C.

DEAR Mrs. CONNERY: The news of Dave's passing has just reached me, and I find words are inadequate to express how I feel.

Please accept my heartfelt sympathy in your hour of bereavement.

With every good wish,  
Sincerely,

MARTHA W. GRIFFITHS,  
Member of Congress.

WASHINGTON, D. C.

Senator PAT McNAMARA,  
United States Senate,  
Washington, D. C.:

We share your sorrow in the loss of David Connery. It was a privilege to have known him and we highly valued, as we will always cherish the memory of his friendship. Mrs. Diggs and my congressional staff join me in expression of our deepest sympathy.

CHARLES C. DIGGS,  
Member of Congress.

OSCOMMON, MICH., May 17, 1956.

PAT McNAMARA,  
Senate Office Building,  
Washington, D. C.:

The sad news about Dave has just reached me. His host of friends in party have come to respect and admire him deeply. All of us will miss him and join with you in your loss.  
NEIL.

MAY 15, 1956.

DEAR SENATOR McNAMARA: I was so sorry to learn in this morning's Free Press that

you have lost your helper, associate, and aid through the ravages of cancer. It must be very sad indeed to have the years of interest and compatibility severed so painfully and sadly. My sympathy is for you, as well as for Mr. Connery's family.

I shall write you again with happier subjects in mind.

Yours,

SALLY BUTZEL LEWIS.

BIRMINGHAM, MICH.

#### IDAHO POWER RATES

Mr. NEUBERGER. Mr. President, the other day my attention was attracted by material placed in the body of the RECORD purporting to compare the cost of electricity to customers of rural electric cooperatives in sections of Idaho and Tennessee with the price to rural customers of the Idaho Power Co. The figures selected for comparison were intriguing, not because of what they told, but what they did not reveal.

For instance, the so-called statistics failed to disclose that the Idaho Power Co., a blue-chip utility blessed with low production costs because of highly favorable sites and stream-flow on the Snake River, has an established policy under which new farm customers may be required to pay powerline construction charges exceeding a minimum figure. Thus, a farmer might be required to pay hundreds of dollars before he could avail himself of the company's so-called business-managed kilowatts.

Nor did the selective and partial statistics disclose that the co-ops selected for comparison serve some of the most rugged and sparsely populated sections of the West, where construction costs are high and operating conditions difficult when compared with Idaho Power's more compact service area. Nor did the figures explain why the co-ops came into existence in the first place, namely, because the private company did not want to add these areas, believed to be unprofitable, to its system. Growth of the rural cooperatives in the last 20 years is a revealing indictment against the private utilities' lack of real free enterprise. A vast market for sale of electricity existed in rural America, but the utilities chose to ignore the demands of farmers to share in the age of electric conveniences. When the utilities failed to adequately extend service to rural districts, farmers were forced to undertake the task themselves through formation of cooperatives. Yet, since the financial success of the rural electric cooperative program has been proved, spokesmen for private utilities brand as "creeping socialism" this program to relieve farmers and farm housewives of some of the former drudgery of rural life.

The utilities had the freedom to be enterprising, but they failed to use it. As a result, the great rural-electrification program came into being, fathered by the late Senator George Norris. Would critics of the co-ops have the farm wife return to the days of kindling splitting by hand for cooking, and nursing of sick children by the light of kerosene lamps?

The REA program gave a greater boost to farm living standards than any single development of the last half century.

Its usefulness and benefits cannot be disparaged or discounted by handpicked statistics which attempt to compare incomparable objects.

I have asked the National Rural Electric Cooperative Association, an organization dedicated to promoting the interests of the consumer-owned, nonprofit rural utilities, to analyze the statement and comparisons recently placed in the RECORD by the distinguished junior Senator from Arizona [Mr. GOLDWATER]. The statement prepared by NRECA explains in detail the true meaning of the figures used. I think it would be well to look behind the statistics. I ask unanimous consent to have the material prepared by the NRECA printed at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT ON IDAHO POWER RATES BY NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

The Idaho Power Co. makes its service available to farms in its service area at its standard residential and domestic rate. A farmer purchasing 6,428 kilowatt-hours per year, as apparently the average large farmer served by the Idaho Power Co. system did in 1953, would pay an average rate of 1.71 cents per kilowatt-hour. However, in 1953, only 27.3 percent of all the residential type customers served by the Idaho Power Co. were reported by that company to the FPC as farm consumers. The other 72.7 percent, which are ordinary residential users, might purchase lesser quantities of energy each year at an appreciably higher rate.

In fact, the publication Typical Residential Electric Bills for 1953, published by the Federal Power Commission, shows that the small city consumer, purchasing 1,200 kilowatt-hours a year from the Idaho Power Co., paid an average rate of 3.4 cents per kilowatt-hour in 1953, or twice as much as the farmer paid. By comparison, a small consumer using 1,200 kilowatt-hours per year in Chattanooga, Tenn., pays only an average rate of 2.5 cents per kilowatt-hour, 26 percent less than the Idaho Power Co. rate. The rate to the small city consumer using 1,200 kilowatt-hours per year in Boise, Idaho, Nampa, Idaho, Twin Falls, Idaho, and several other cities in that State is 3.4 cents per kilowatt-hour. In Knoxville, Tenn., Nashville, Tenn., and many other cities in that State, the average rate for the small city consumer is \$2.50, and in some cases as low as \$2.25. In Jefferson City, Tenn., the rate is \$3.50. That city is served by the Appalachian Electric Power Co.

Thus, it is easily seen that the Idaho Power Co. can offer a low rate to 27.3 percent of its customers comprising its farm service, if the other 72.7 percent pay a higher rate.

The cooperatives of Idaho do not have the advantages of a diversified customer group. They do not serve a single town with a population of 2,500 or over, according to FPC figures. The area served by the cooperatives is sparsely settled. They encounter a density of 2.4 consumers per mile of line and sell approximately 10,800 kilowatt-hours per mile of line per year. The Idaho Power Co., by comparison, enjoys a consumer density of 8.85 consumers per mile of line, and sells 152,000 kilowatt-hours per mile of line per year, or 14 times the kilowatt-hour sales density of the cooperatives.

Fifty-three percent of the total energy sold by the Idaho Power Co. goes to industrial and commercial consumers.

By comparison, only 21.9 percent of the cooperatives' kilowatt-hour sales are in the industrial and commercial category.

There is also one additional fact that was completely ignored in the statistics presented

by the junior Senator from Arizona. The Idaho Power Co. has on file with the FPC a statement of policy which provides that the company will not build additional line or add capacity to existing line to serve farm consumers unless the estimated construction cost of such line is less than 10 times the estimated annual revenue from it. If the estimated construction cost is more than 10 times the annual revenue, then the customer desiring service must make a cash payment to the company to cover a portion of the construction cost, or guarantee a minimum monthly payment for 10 years. The annual sum of such minimum guaranteed monthly payment must be one-twelfth of the estimated construction cost of the new line. In other words, the customer desiring such service must guarantee to pay in revenue to the company 83.5 percent of the cost of such line within a 10-year period, whether he uses the electricity or not.

Let us assume that a farmer who lives 1 mile away from an existing line of the company desires to take service.

Let us assume that his immediate need for electricity is 3,214 kilowatt-hours per year, about one-half of the average of all the other farms in the Idaho Power Co. service area. This is a reasonable situation because the load of the normal farmer grows each year and a new farmer coming on the line would not have many appliances. It costs about \$1,700 to build a mile of line. Our farmer, in order to get service, would have to guarantee to pay the Idaho Power Co. \$141.50 per year for a 10-year period instead of the \$80.60 which would be his bill under the normal rate schedule. In other words, such a farmer would pay 4.4 cents per kilowatt-hour for his energy, or 76 percent above the normal rate, simply because his farm is difficult to serve.

It is just such policies as this that have brought the rural electric cooperatives of Idaho into existence. It is a long-standing policy of REA cooperatives to strive for area coverage, that is, to serve all farms within their service area. The cooperatives must build many long lines to serve a few farms, but all farmers served enjoy the same rate schedule. A rural electric cooperative serves a predominantly farm load in a sparsely settled area as a general rule. An investor-owned utility company serves the heavily settled urban and suburban areas and all the industrial and commercial aspects of such areas. To infer that the rates charged by each should be equal is to admit ignorance of the basic difference between them or to be victimized by misleading statistics. Now a word about taxes.

The material inserted into the RECORD by the junior Senator from Arizona correctly shows that the Idaho Power Co. paid \$7,823,072 in taxes during 1953, amounting to about 3.51 mills per kilowatt-hour. However, \$4,113,600 of this amount was Federal income tax and \$253,700 was State income tax. The rural electric cooperatives are not subject to either State or Federal income taxes because they operate on a cost-of-service basis and earn no net income. The Idaho Power Co. would not pay income tax either except for the fact that it enjoys a substantial net income each year.

The cooperatives of Idaho paid \$93,016 in taxes during 1953, which amounted to about 1.4 mills per kilowatt-hour. Certainly no one could suggest that an organization which does not earn income should pay an income tax, or that the taxes paid by such an organization would be comparable to those paid by the large investor-owned, profit-earning corporations. Such a comparison is analogous to saying that the taxes paid by a man earning a salary of \$5,000 per year are comparable to those of a person earning \$100,000 per year.

If the taxes paid by the Idaho Power Co. and by the cooperatives of that State are

placed on a comparable basis, by excluding income tax, the figures show that the company paid \$3,455,772, or 1.66 mills per kilowatt-hour in taxes, exclusive of income taxes, compared to the cooperative payment of \$93,016, or 1.4 mills per kilowatt-hour in taxes. Here then is a little difference, especially considering that the cooperatives own only distribution lines and own no generating facilities of their own.

If they generated their own power, the increased taxes would likely result in their nonprofit taxes actually being higher than Idaho Power Co. taxes.

#### EQUITY INVESTMENT IN UNITED STATES AND FOREIGN CORPORATIONS

**Mr. WILEY.** Mr. President, the eyes of the Nation and the world have been on the Senate Foreign Relations and House Foreign Affairs Committee as they have continued their review of the administration's proposals for mutual-security assistance in the 1957 fiscal year.

Meanwhile, however, an increasing number of Americans are fortunately giving their attention to ways and means of encouraging to a larger extent, private investment abroad.

I am sure it is the consensus of the Congress and of our people, as a whole that, to the most feasible extent, we should rely in the future upon the movement of private capital, rather than on governmental assistance.

#### PREVIOUS COMMENTS BY SENATOR WILEY

On a good many occasions on the Senate floor, I have developed this theme—stressing the role of American private investment overseas, the role of American banks, investment trusts, other financial institutions like the International Bank, the Export-Import Bank, the International Finance Corporation, and others.

#### MY QUESTIONS ON PRIVATE INVESTMENT

As the mutual-security bill has been reviewed, I have asked questions repeatedly of administration witnesses, regarding the extent to which foreign countries are or are not improving the climate for American investment.

#### PRIVATE EQUITY SHARES

One of the phases of considerable interest to me has been the climate and conditions for an increasing amount of ownership of Americans in foreign enterprises through the purchase of equity stock.

As everyone is aware, there is always obviously a certain risk in stock purchases, even in the best so-called blue chips here at home.

But in the United States, in this great country of ours, we have seen how the willingness of millions of investors to risk their savings has been responsible for making America emerge as the greatest, richest, most powerful, freest nation on earth.

It is our hope that conditions will be such in foreign lands as to attract more and more equity capital from America—not, I emphasize, on a wild speculative basis, but on a sound, sensible, continuing, partnership basis.

For capital to go abroad, whether it is in the form of private direct invest-

ment in a factory or a mine or a mineral, or in any other form, there must be still more opportunity, more possibility of financial return—considering the larger risks inevitably involved—than there might be in our own country.

That is why foreign governments and peoples have a heavy responsibility to create and maintain conditions which will attract capital which might otherwise be expended in the enormous opportunities here in America.

Foreign governments must help cut red tape, nuisance restrictions, unfair taxation which impede private investment. Basically, they must keep their financial house in order.

Time after time, United States bankers and other financial leaders have been repelled from investment by loose or arbitrary fiscal practices abroad, incompatible with free enterprise.

Thus far, only a fraction of the United States investment potential abroad has been achieved.

#### ONE BILLION FOUR HUNDRED MILLION INCREASE IN 1954

According to the Department of Commerce for the year for which statistics are most recently available, in 1954, there was however, an increase of \$1.4 billions in the value of United States private investments in foreign securities, and short and medium term credits and assets abroad.

Of that amount, \$860 million resulted from net capital flow from the United States. The remainder reflected improved market values for the dollar bonds and local currency bonds and equity securities of foreign countries.

Incidentally, in our own country, the amount of foreign-owned investment and assets increased by \$3 billions during 1954. The largest component of that sum consists of foreign-owned short term dollar assets, including obligations of the United States Government. But most of the increase represented the sharp rise in the market value of United States corporate stocks.

Since America is the world's greatest financial power, the capital flow will basically be from our shores.

Numerous proposals have been advanced, therefore, for bringing larger numbers of both large and small private investors into ownership of foreign securities.

Let them get "burned" however, on relatively unfamiliar foreign economic details, particular care and discretion must always be exercised by the investor. And care must be taken by official regulatory authority as well, while allowing the free enterprise system to operate.

#### MY REQUEST ON SEC

Recently, I called upon the Securities and Exchange Commission for information with regard to the registration of new foreign issues on American exchanges. I believe that the recent pattern of such registration has been a healthy one, being pursued on a sound basis by the New York and the American Stock Exchanges.

I send to the desk the text of the information supplied by the SEC.

And as background, I append the text of an article which was published in the

October 8, 1955, issue of Business Week. I ask unanimous consent that the text of this material be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

#### Private, long-term portfolio capital movements by type and area, 1951-55

[Millions of dollars; capital outflow]

	1951	1952	1953	1954	1955
All areas, by type.....	-437	-214	185	-225	-92
New foreign securities.....	-491	-286	-270	-309	-116
Amortizations and redemptions.....	113	66	139	124	203
Transactions in outstanding issues, net.....	25	131	223	76	-9
Banking and commercial loans, net.....	-84	-125	93	-116	-170
Canadian capital movements by type, total.....	-232	-30	-1	67	173
New securities.....	-302	-158	-203	-167	-38
Amortizations and redemptions.....	88	38	108	89	160
Transactions in outstanding issues, net.....	-20	100			
Banking and commercial loans, net.....	2	-10	94	145	51
All capital movements, by area, Canada, total.....	-232	-30	-1	67	173
Latin American Republics, total.....	30	34	34	-89	-195
Europe, total.....	-35	-90	209	85	3
Other countries, total.....	-47	-10	4	-124	-48
International institutions, total.....	-153	-118	-61	-164	-25

Source: Department of Commerce, Survey of Current Business.

#### Foreign bonds listed on New York Stock Exchange

[In millions]

Date	Number of issues	Number of issues	Par value	Market value
Dec. 31, 1953.....	25	55	\$607.734	\$506.7
Dec. 31, 1954.....	36	76	609.831	531.3
Dec. 31, 1955.....	35	74	567.867	484.2

#### Foreign stocks (common) listed on New York Stock Exchange

[In millions]

Date	Number of issuers	Number of issues	Number shares	Market value
Dec. 31, 1953.....	19	17	74.1	\$1,915.3
Dec. 31, 1954.....	20	18	77.0	3,065.1
Dec. 31, 1955.....	22	20	87.6	4,093.2

#### Foreign stocks (common and preferred) listed on New York Stock Exchange

Date	Number of issuers	Number of issues	Number shares	Market value
Dec. 31, 1953.....	19	20	74.6	\$1,943.3
Dec. 31, 1954.....	20	21	77.6	3,097.2
Dec. 31, 1955.....	22	23	88.2	4,124.1

#### Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955

	1954	1955
Number of statements filed (see list of names attached).....	22	24
EFFECTIVE REGISTRATIONS		
Number of statements.....	17	17
Number of issues.....	18	20
Dollar amount (millions of dollars).....	162.9	297.3
Cash account of issuer:		
Number of statements.....	14	14
Number of issues.....	14	15
Dollar amount (millions of dollars).....	152.5	171.2

Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955—Continued

	1954	1955
Cash account of issuer—Continued		
Mining:		
Number of issues	8	6
Dollar amount (millions of dollars)	10.9	7.7
Manufacturing:		
Number of issues	0	4
Dollar amount (millions of dollars)		53.3
Investment companies:		
Number of issues	6	5
Dollar amount (millions of dollars)	141.7	110.2
Other: Dollar amount (millions of dollars)	10.4	126.1

Foreign companies registered under the Securities Act of 1933, calendar year 1954

- SEC file No. 11252: Philippine Long Distance Telephone Co.
- SEC file No. 10704: Scurry Rainbow Oil, Ltd.
- SEC file No. 1196: Canadian Delhi Petroleum, Ltd.
- SEC file No. 10764: De Von Le Duc Oils, Ltd. (Withdrawn August 1954.)
- SEC file No. 11308: Investors Group Canadian Fund, Ltd.
- SEC file No. 10921: Scudder Fund of Canada, Ltd.
- SEC file No. 11036: United Funds, Canada, Ltd.
- SEC file No. 11045: Canada General Fund, 1954, Ltd.
- SEC file No. 11050: New York Capital Fund of Canada, Ltd.
- SEC file No. 11060: Lake Lauzon Mines, Ltd.
- SEC file No. 11191: Templeton Growth Fund of Canada, Ltd.
- SEC file No. 11242: Stancan Uranium Corp.
- SEC file No. 11335: Canada General Fund, 1954, Ltd.
- SEC file No. 10903: Trican Petro Chemical Corp.
- SEC file No. 11074: Keystone Fund of Canada, Ltd.
- SEC file No. 11315: Aluminum, Ltd.
- SEC file No. 11322: Canada Petrofina, Ltd.
- SEC file No. 10828: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.
- SEC file No. 10829: Mediterranean Petroleum Corp., Inc., VT and Mediterranean Petroleum Corp., Inc.
- SEC file No. 11159: Israel Mediterranean Petroleum, Inc., VT and Israel Mediterranean Petroleum, Inc.
- SEC file No. 11160: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.
- SEC file No. 11262: Rhodesian Selection Trust, Ltd.

Foreign companies registered under the Securities Act of 1933, calendar year 1955

- SEC file No. 11817: Northwest Nitro Chemicals, Ltd.
- SEC file No. 11928: Home Oil Co., Ltd.
- SEC file No. 11545: De Von Le Duc Oils, Ltd. (Withdrawn June 1955.)
- SEC file No. 11349: Nipissing Mines Co., Ltd.
- SEC file No. 11383: Consolidated Fenimore Iron Mines, Ltd.
- SEC file No. 11393: Consolidated Subury Basin Mines, Ltd.
- SEC file No. 11427: Southern Union Oils, Ltd.
- SEC file No. 11520: Wilrich Petroleum, Ltd. (Withdrawn April 1955.)
- SEC file No. 11523: Dyno Mines, Ltd. (Withdrawn April 1955.)
- SEC file No. 11560: New Bristol Oils, Ltd. (Withdrawn May 1955.)
- SEC file No. 11580: Stancan Uranium Corp. (Withdrawn November 1955.)
- SEC file No. 11613: Peruvian Oils & Minerals, Ltd.

- SEC file No. 11619: Saxon Uranium Mines, Ltd.
- SEC file No. 11804: Scudder Fund of Canada, Ltd.
- SEC file No. 11858: Yellowknife Uranium Corp. (Withdrawn November 1955.)
- SEC file No. 11999: Canuba Manganese Mines, Ltd. (Withdrawn January 1956.)
- SEC file No. 12127: Canada General Fund 1954, Ltd.
- SEC file No. 12175: Algoma Central & Hudson Bay Railway Co., first-mortgage bondholders committee.

- SEC file No. 11618: Bonnyville Oil & Refining Corp.
- SEC file No. 11620: North Penn Gas Co.
- SEC file No. 11807: Canadian Petrofina, Ltd.
- SEC file No. 11456: Israel Pecan Plantations, Ltd.
- SEC file No. 11939: "Iras" Israel Rasso Invest. Co., Ltd.
- SEC file No. 12020: Industria Electrica de Mexico, S. A. (Electrical Industry of Mexico, Inc.)

Additional and new foreign issues listed on New York and American Stock Exchanges, 1954 and 1955

	Effective	Issue
NEW YORK STOCK EXCHANGE		
Royal Dutch Petroleum Co., 50 Guilder par ordinary shares	July 15, 1954	4,200,000 shares.
Commonwealth of Australia 3½ percent bonds due 1969 <sup>1</sup>	Jan. 5, 1955	\$25,000,000.
Belgium 4 percent bonds due 1964 <sup>1</sup>	Jan. 21, 1955	\$15,000,000.
United Steel Works Corp., in liquidation participating certificates, in bonds of 9 German issuers. <sup>1</sup>	Mar. 6, 1955	\$21,500,000.
Norway 4¼ percent bonds due 1965 <sup>1</sup>	May 19, 1955	\$7,500,000.
Rhodesian Selection Trust Ltd., ADR's representing 5 shillings par	June 28, 1955	21,176,000 ADR's.
Frankfurt-On-Main refunding 4½ percent bonds due 1973 <sup>1</sup>	Oct. 28, 1955	
AMERICAN STOCK EXCHANGE		
United Rayon Mfg. Corp. (AKU) ADR's for ordinary shares, 1,000 HFL par	Jan. 29, 1954	2,057,230 ADR's.
San Carlos Milling Co. Ltd., \$8 par capital stock	May 9, 1954	200,000 shares.
Israel-Mediterranean Petroleum, Inc.-American VTC for 1 cent par common.	Nov. 1, 1954	443,800 VTC's.
Pan-Israel Oil Co., Inc., American VTC for 1 cent par common.	.....do.....	1,593,000 VTC's.
Philippine Long Distance Telephone Co.	June 21, 1955	1,358,000 VTC's.

<sup>1</sup> Additional issues, other new issues.

WALL STREET GOES FOREIGN NOW

"London has had its day as the world's banker. It is New York's turn now."

If you heard this sentiment once in Wall Street back in the fall of 1945 you heard it a dozen times. That was before even the wisest of New York's international bankers realized that the postwar reconstruction job would take about 10 years—a decade during which Uncle Sam, rather than the private financial institutions of either London or New York, would in one guise or another play the role of world banker.

Now you are hearing the same refrain again. And this time what starts it going is not just a gleam in a New York banker's eye, as it was in 1945. Hard cash is being put on the line by leading investment banks, by some of the big commercial banks, and by a number of brokerage houses that have been specializing recently in foreign securities.

These institutions—and those interested aren't all in New York—think that the time has arrived to add a new dimension to United States banking operations—the sharing of ownership in foreign enterprises by the purchase of equity stock. This would supplement the outward flow of dollar funds that already comes from (1) direct investments abroad by big United States manufacturers, oil companies, and mining firms; and (2) loans made by the World Bank and the Export-Import Bank.

I. HOW IT'S DEVELOPING

There is little or nothing to resemble the 1920's in the current "go foreign" flurry in Wall Street. There has been plenty of interest in foreign securities, especially British and Dutch industrial blue chips. But you don't hear even a whisper about the kind of European and South American bonds that whetted the United States investor's appetite in the twenties and then soured him on foreign securities for a generation.

In the picture: Here are some of the developments that make up the present flurry:

New York's Kuhn, Loeb & Co. and First Boston Corp. joined hands this week with S. G. Warburg & Co., Ltd., of London, to form a new \$10 million international investment firm—Transoceanic Development Corp.,

Ltd.—to acquire equity investments in foreign countries other than Canada. A dozen United States banking and brokerage firms, a dozen British and continental investment banks, and one Canadian bank are in Transoceanic (a Canadian company) as participants. Some United States and foreign financial institutions are complaining this week about being left out.

The Chase Bank, affiliate of New York's Chase Manhattan, has in the works a similar investment banking operation intended to finance and develop new enterprises both in Canada and abroad. A Canadian corporation already has been formed for this purpose.

Set to get in on the act is the Inter-American Capital Corp., backed by Time, Inc., and a New Orleans group. This outfit, which will be managed from New York, will devote itself exclusively to pushing investment in Latin America.

Plans are on foot for extending the mutual funds idea into the foreign field. One big contender (BW—Aug. 20, 1955, p. 141) is the International Resources Fund, Inc., managed by Capital Research & Management Co., of Los Angeles, which is planning to float a stock issue this month through New York's Kidder, Peabody & Co. and others.

There is talk in Wall Street that in the foreseeable future several of the blue-chip British and continental industrial corporations might sell a portion of any new stock issues in the New York market. That prospect is one of the things that led Lazard Freres & Co. and Lehman Bros. last month to buy a 10-percent interest in the Mediobanca of Milan, Italy.

Adding up: In some Wall Street circles, these developments add up to (1) the revival of an international capital market; and (2) the emergence of New York as an international investment banking center, potentially as the world center.

But you will find some "streeters" who have their fingers crossed on both counts, even assuming healthy economic conditions here and abroad. And there are others who take such a dim view of market prospects here in New York that they think the whole business will prove to be a bubble that will burst, they say, just as soon as the bears take over in Wall Street.

## II. WHAT'S BEHIND IT?

There is not much disagreement, though, about the things that have produced the go-foreign mood on Wall Street. What you have had in the past year is the conjunction of favorable developments abroad, favorable by postwar standards, and a changing investment climate in the United States.

On the foreign side there has been (1) the easing of cold-war tension, which has made the work risk look a lot more remote; (2) the economic upsurge in Western Europe, which has brought the lowering of exchange restrictions; and (3) the eagerness of many underdeveloped countries to speed their economic growth.

Potential: The United States, potentially, at least, has still untapped resources of industrial know-how and capital. New York bankers will tell you of the flood of foreign visitors, from Africa and Asia as well as Europe and Latin America, which they have been receiving this year.

These visitors come to New York, as they used to go to London, looking for know-how or capital or both. Though London remains the biggest single source for trading funds—used to finance the trade of the sterling area—it hasn't anything like the potential New York has for providing private investment funds.

On top of that, American investors are looking this year for greener pastures than Wall Street has been able to provide (Business Week, June 4, 1955, p. 130). The difference in yields between New York and London tells a good part of the story. Late in September (just before President Eisenhower's illness) the average gross yield for the Financial Times Industrial Index was 5.1 percent against 4 percent for the Dow-Jones Industrial average.

## III. NEW DIMENSIONS

Even the enthusiasts don't say that total United States private investment will suddenly shoot up as a result of this new interest in foreign equities. All they are claiming is that a new dimension is being added to the picture. And they don't for a minute belittle the importance of what the big United States corporations have done during the postwar period by way of direct investments abroad and what the World Bank has done with its loans.

Actually the World Bank has been tapping some of the investment funds that Wall Street now hopes to draw on. The bank has sold some \$500 million worth of its own bonds in the United States market. And soon a subsidiary of the bank—the International Finance Corporation (Business Week, Sept. 10, 1955, p. 105)—may be doing very much the same kind of job as the new Transoceanic Development Corporation.

Perhaps just as important, the bank has helped reestablish some order in postwar international financing—something that private banks probably couldn't have achieved in the shaky postwar years.

A natural: Transoceanic Development Corporation is an entirely new departure for Wall Street. But Kuhn, Loeb and First Boston Corp. think it's a natural for today's world. Its aim is to provide new capital for the expansion of mining, manufacturing, and commercial enterprise in any foreign country that provides attractive investment opportunities.

In exploiting such opportunities, Transoceanic has the advantage not only of S. G. Warburg's international connections but of its own relations with a dozen top-flight British, Dutch, German, and French investment banks. Then on the United States side it gains the same kind of depth from its American participants.

Setup: Transoceanic's initial paid-in capital is \$5 million, of which three-fifths has been taken up by United States and Canadian participants and two-fifths by Euro-

pean participants. The firm has no present intention of going to the public for more capital. It feels that its resources are more than adequate for the kind of operations it plans for the near future.

Here's the way it might operate:

Normally, Transoceanic won't be making big dollar investments in new foreign enterprises or the expansion of existing ones. For example, one of its numerous projects calls for only a 3- to 5-percent participation by Transoceanic. The rest of the resources would come from United States and European participants and their clients. The idea is to provide funds when they are needed as a catalyst to get promising foreign projects off paper.

Transoceanic set up shop in Canada for two reasons: (1) The tax advantage it can gain there; and (2) the preference of its European participants to handle their financing through Canada rather than New York.

Another direction: A different kind of operation is involved in the recent Lazard-Lehman deal with Italy's Mediobanca. Previously, Lazard had been buying into a French bank or two, with the idea of gaining a strong position in French overseas banking operations. Then Lazard hooked up with Lehman to get an operating position in Italy.

The Mediobanca, which was formed in 1946 by three of Italy's leading banks, virtually dominates the investment banking business in Italy. Most of Italy's big industrial corporations use it to handle their public issues. Undoubtedly, if firms such as Fiat, Pirelli, or Montecatini should want to sell part of an issue in New York, Lazard and Lehman would get the business.

Uncertainties: According to Wall Street rumor, there is still some uncertainty as to whether International Resources Fund will go ahead with its plan for a public issue in October. Capital Management, the fund's manager, says it is 99 percent sure the issue will hit the market in mid-October. If it does, investors will be able to buy into a mutual fund whose securities will be split roughly 50-50 between United States corporations with foreign interests and foreign enterprises.

All this new activity involving foreign securities hinges on a healthy stock market here in the United States. If the market turns really sour, as a few "streeters" now predict, much of the current flurry might soon look like no more than a bubble. These "streeters" say it has always been hard to sell even high-grade Canadian securities in a declining market, and European securities would be likely to suffer even more.

## ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, yesterday, as is shown at page 8340 of the CONGRESSIONAL RECORD, I spoke about the conference on Asian-American cultural relations. Today it was my privilege to speak to the participants in the conference who are mentioned in yesterday's statement, at a luncheon in the Vandenberg room in the Capitol.

In my remarks I said:

I want to convey warmest greetings to our visiting friends of Asia.

Today, on Capitol Hill, they are climaxing, I believe, a 4-week tour of the United States, which started in San Francisco, and which has continued through the Midwest and the East.

COMMENTS IN CONGRESSIONAL RECORD  
YESTERDAY

Yesterday, on the Senate floor, I was pleased to convey my initial word of greeting to you.

Around the table I have been glad to distribute tearsheets of my remarks—page 8340 of the May 17 CONGRESSIONAL RECORD.

## WELCOME TO ASIAN AND UNITED STATES GUESTS

We are pleased to welcome each of you here. We are pleased, too, to welcome the distinguished men and women in universities, the State Department, and elsewhere, who have helped make your visit to the States and to Washington, in particular, rewarding, I trust.

## VOICES OF EAST WELCOME

Yesterday, we, in the Congress, had the privilege of hearing from the distinguished President of Indonesia, Sukarno—a great voice from the East.

Today, in our midst, we are pleased to have the president of the University of Indonesia, Dr. Djohan, as well as our other fine friends.

We are happy to get to know you better, and we know that you want to get to know us better.

## OUR DIFFERENT CULTURES

We want to learn more about your culture, your ancient, rich heritage and tradition.

Each of you come from heritages which are obviously somewhat different from ours—Hindu, or a Moslem, or Buddhist, or other; but we share the same love of liberty, and the same belief in the human personality and human dignity.

## OUR BASIC QUESTION—HOW TO IMPROVE RELATIONS

The question which I should like to submit to our friends from Asia is a positive question, an affirmative question.

It is this: In your travel throughout the United States, what has impressed you most in American culture?

What are the points of agreement between our cultures, and how may we strengthen our cultural ties?

Each of our friends from Burma, Cambodia, Ceylon, India, Indonesia, Laos, Pakistan, the Philippines, Thailand, and Vietnam responded to the question. They spoke of their impressions gained from the 4 weeks they had spent in America, and they mentioned many points of agreement between the cultures of their lands and our own.

Also present at the luncheon and addressing the group were the Senator from Montana [Mr. MANSFIELD], the Senator from Alabama [Mr. SPARKMAN], and Representatives FULTON and JUDD.

It is such meetings as these which break down barriers of misunderstanding. Everyone present felt that there should be more such visitations among the citizens of the various countries.

## ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. BIBLE. Mr. President, I ask unanimous consent that on Monday next, immediately following the conclusion of the morning hours, there be a call of the calendar for the consideration of measures to which there is no objection, beginning at the point where the previous call ended.

The ACTING PRESIDENT pro tempore. As the Chair understands, the request should also include a request for the consideration of Calendar No. 1874, House bill 3054, a bill for the relief of Allen Pope, his heirs or personal representatives, which bill was carried over from the previous call of the calendar with the agreement that it would be

called at the next succeeding call of the calendar.

Mr. BIBLE. That is correct; and my unanimous-consent request should be amended to that extent.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Is there further morning business?

Mr. BIBLE. Mr. President, of course, the farm bill is the unfinished business. The Senate is operating today under a unanimous-consent agreement for limitation of debate. In order to give all Senators the opportunity of making insertions in the RECORD, I think it might be in the interest of order and expedition in connection with today's proceedings to suggest the absence of a quorum at this time.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. With the understanding that morning business is not closed, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES conferees on the part of the Senate.

#### SUGGESTIONS BY DEMOCRATIC PARTY IN MONTANA FOR A NATIONAL FARM PROGRAM

Mr. MURRAY. Mr. President, while the President's veto of the first farm bill makes it clearly impossible to write an adequate farm program into law this year, I think it is appropriate to place in the RECORD at this time a yardstick of what farmers need and want.

The Democratic Party in Montana recently has developed specific suggestions for a national farm program. These suggestions represent a summation of ideas and conclusions reached by 23 regional farm forums held in Montana under the sponsorship of the Democratic Party of the State. Each of the 56 counties was represented at these forums. More than 800 farmers and stock-

men participated in the discussions. At the summation meeting, consultants from Montana State College and Representative LEE METCALF participated.

I ask unanimous consent to have the material printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### MONTANA DEMOCRATIC PARTY SUGGESTIONS FOR A NATIONAL FARM PROGRAM

We, the undersigned, recognizing need for a sound farm program in order to safeguard the economy of our State have selected from those ideas submitted at the farm forum meetings the following propositions as a suggested farm program for Montana.

We believe that a farm program to be successful must be administered at the State and local level embracing sufficient flexibility to readily conform with the problems of each individual State.

Regional chairmen: Senator William Groff, Victor; Representative Arnold Rieder, Boulder; Edward V. Kottas, Lewistown; Lester Rutledge, Big Sandy; A. A. Healow, Billings; Representative Lloyd Barnard, Saco; Representative John J. McDonald, Jordan.

County committee members: Clarence Bick Ronan; Alfred Anderson, Hamilton; Boyington Paige, Phillipsburg; Farmer Bean, Gold Creek; Ulrich W. Deschamps, Missoula; Paul K. Harlow, Thompson Falls; Tom Ambrose, Big Fork; Carl Starbakken, Libby; Leslie Staudemeyer, Dillon; Clark Raymond, Sheridan; Hugh J. Murphy, Butte; Al Donich, Deer Lodge; Robert Hensley, Townsend; Paul Ringling, White Sulphur Springs; J. Rogan, north of Helena; Paul Hodge, Moccasin; Paul Holzer, Benchland; Elden Freed, Winnett; Francis Manley, Cut Bank; Shade Denson, Shelby; Robert Ellings, Conrad; Orval Brain, Chester; Senator Gordon McGowan, Highwood; Raymond Lenhart, Havre; John R. Hoehn, Chinook; Merrill Plummer, Fairfield; Allen V. Chesbro, Jr., Belt; Nobel Meisdalen, Malta; Lovitt Westlake, Bozeman, W. W. Pepper, Wilsall; Claude Gray, Big Timber; John Reitz, Harlowton; Nat Allen, Ryegate; Frank V. Oset, Roundup; Adolph Schaak, Billings; Karney J. Redman, Wyola; Robert Brastrup, Joliet; Jake Frank, Park City; Ronald Osterberg, Glasgow; Alton Wesen, Glasgow; Sid Cotton, Glasgow; J. E. Carney, Scooby; Henry Crohn, Dagmar; C. R. Casterline, Culbertson; Frank Daniels, Sidney; Bob Dever, Glendive; Martin Beck, Vida; L. P. Larson, Wibaux; Glen Edsall, Brusett; Janet McDonald, Forsyth; Senator Dave Manning, Hysham; Marcus Tonn, Miles City; Rudolf F. Lutts, Carlyle; Ben Jurica, Powderville; John H. Walling, Ekalaka; Gottlieb Ulrich, Marsh.

Respectfully submitted.

LESTER RUTLEDGE,  
Chairman.

MAY 5, 1956.

#### SUGGESTIONS FOR NATIONAL FARM PROGRAM

1. Responsible Department of Agriculture officials should furnish information to the public to show the American farmer in his true light as a modern businessman requiring special skill in his job in safeguarding this keystone of America's economy.

2. Adequate reserve of farm commodities should be set aside for national protection in case of war, drought years or other emergency on the national level. The cost of maintaining such a reserve should not be a charge against agriculture but against national defense. Such reserves should not be marketed excepting in times of national emergency.

3. More research into livestock diseases including beef and dairy cattle.

4. More research looking for a better and more profitable utilization of byproducts of farm products and livestock.

5. Representatives of the Department of Agriculture should go to foreign countries and search our new markets for our farm commodities.

6. Greater effort should be made to substitute food for money in aiding foreign nations.

7. Need is seen for the Department of Agriculture to take a realistic modern approach to the changing course of agriculture and to problems peculiar to the various regions in the United States. Much can be done with existing laws to bring about a greater prosperity in our agricultural industry which will benefit both producer and consumer.

#### SUGGESTIONS FOR FARM PROGRAM FOR MONTANA

##### Livestock

1. There should be regulations preventing diseased cattle from being butchered and used for human consumption, and to permit sale of such cattle for animal food only. If necessary a compensatory payment should be made to producers.

2. It is suggested a compensatory payment should be provided on heifers weighing up to 800 pounds. This will tend to reduce numbers. The compensatory payment could be based on a fluctuating price that protects the producer so he will realize an adequate but not excessive return on his investment. Payment should be direct to the producer. Payments could be stopped when consumption reaches a desired level with cattle numbers.

3. It is thought greater consideration should be given to a food stamp plan for State and Federal institutions and welfare agencies to increase consumption of beef.

4. Expanded use of beef in school lunch programs.

##### Dairy

1. Continuation of the milk control law.

2. Consideration of increased parity for producers.

##### Sheep

1. Continuation of present compensatory payment law.

##### Sugar beets

1. We endorse the recent Senate bill as passed giving us 55 percent of the population increase.

##### Wheat

1. Agricultural programs should be administered by farmer committees elected by farmers at community meetings. The delegates elected at these meetings would elect the county committees and overall State committee. Such groups would work with the Department of Agriculture and problems could be met on a regional basis. Provisions of programs should be presented for discussion at community farmer meetings and opinions expressed by the farmers at these meetings given consideration.

2. Price supports should be based on a parity formula which would stabilize the price of wheat and other farm commodities in terms of what it will buy of goods used in operation of the farm.

3. We feel regulation should be on a bushel allotment, rather than on an acreage allotment basis. In effect it would mean marketing control rather than production control. There would be consideration given to some control over feed grains, keeping in mind the relation of feed grains to livestock production.

4. Issuance of a marketing card for the maximum bushels an operator can sell at 100 percent of parity as his share of the domestic market, export market, etc. This amount can be determined by the past history of the farm.

5. If the price at the elevator for such maximum bushels is below 100 percent of parity the Government should make up the difference.

6. Maximum bushels of production for industrial size farms should be on a sliding scale basis.

7. It is suggested there should be strict compulsory controls, with all producers either coming under the controls or being subject to severe penalties.

8. Parity should be increased as maximum bushel production is reduced.

9. Stricter regulation of imports of farm commodities, particularly those which are below parity or in surplus.

10. Continue program to provide credit to farmers for needed expansion to secure a family-size farm and for building storage space for surplus products.

11. The Northwest States were on a 50-50 basis (summer fallow and crop) when the program was started and these States thereby were penalized because they had to reduce again on this half of their acreage. This acreage was lost to other States where corn, cotton, tobacco, etc., acreage was diverted to crops which the Northwest States had produced.

12. Encourage on the farm rather than commercial grain storage. This would effect a considerable saving to the Government and reduce criticisms of the program by the consumer.

13. Smaller on-the-farm producers should be protected, with stricter regulations for industrial-size farms.

14. Penalties for violations should be on both the seller and buyer.

15. Higher sanitary and grain-mixing standards are urged for grains to attract foreign buyers and expand domestic use.

16. Food-stamp plan for underprivileged people.

17. Expanded school-lunch program.

18. Expanded use of surplus foods in public institutions.

19. Extra bushels from overproduction stored on farms at farmers' expense as insurance against crop failure years.

20. Surplus farm commodities in the Government's possession should not be offered for sale in the domestic market at less than parity.

21. Soil conservation should be expanded to bring about as far as possible wise use of the soil to maintain and increase its fertility for future generations.

22. Marketing quotas should be on a sliding scale to favor the family-size farm.

23. More research for improving quality and safeguarding Montana crops.

#### Feed grains

1. Parity for feed grains should be based on corn parity in same ratio as feed value of such grains is to corn.

#### AGRICULTURAL ACT OF 1956

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The ACTING PRESIDENT pro tempore. The Senate is operating under a unanimous-consent agreement. The bill is open to amendment. If there be no amendment to be proposed—

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill is open to amendment.

Mr. YOUNG. Mr. President, I call up my amendment, identified as "5-17-56-H."

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed on page 42, between lines 6 and 7, to insert the following new section:

#### SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The Senator from North Dakota has 30 minutes on the amendment, and the majority leader has 30 minutes on the other side.

Mr. YOUNG. Mr. President, I yield myself 5 minutes, or as much as is necessary.

The amendment embodies a provision requested by President Eisenhower in his message to Congress earlier this year. It was a provision contained in the agricultural bill introduced by our colleague, the Senator from Vermont [Mr. AIKEN]. It would permit the Secretary of Agriculture to dispose of up to 100 million bushels of wheat a year for feed or other purposes, without regard to the present provision of the law which requires wheat to be sold at 105 percent of the prevailing price support level.

The Government has about 900 million bushels of wheat on hand, about a year's supply—considering our own domestic needs, wheat for seed purposes, and for export needs. Some of this wheat is getting old. I think the Secretary of Agriculture should be given the right to sell, if he deems it advisable, up to 100 million bushels of wheat per year under limitations of this amendment.

I believe the amendment itself is very simple, and that the explanation I have made is sufficient, unless there are some questions.

Mr. SCHOEPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPEL. I wish to say to the distinguished Senator from North Dakota that I am glad he has offered this amendment. I wish to say for the record that on the 16th day of May of this year I had an identical amendment printed. It is identified as "5-16-56-A." I am happy to join with the Senator from North Dakota in the amendment he has offered, because I think it is worthwhile, and takes care of a situation which needs alleviation. As the Senator has stated, the President recommended it in his message to Congress. Moreover, the Secretary of Agriculture, in his letter dated July 1, 1955, to the President of the

United States, made this recommendation, in paragraph 4:

We recommend that the Congress give consideration to legislation that would authorize the Secretary of Agriculture to dispose of not to exceed 100 million bushels annually of low-grade wheat for feed at prices 10 percent above the support price for corn.

The amendment which the Senator from North Dakota has called up is identical with the amendment I had intended to offer. I am happy to join with him. I think it is a desirable amendment, and that the Senate ought to adopt it, in fairness, in view of the other provisions of the agricultural bill.

Mr. AIKEN. Mr. President—

The PRESIDENT pro tempore. How much time does the Senator from North Dakota yield to the Senator from Vermont?

Mr. AIKEN. I request 2 minutes.

Mr. YOUNG. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, the proposal is in accord with the original recommendations of the President. At that time there was a fear on the part of some that it would interfere with the marketing of corn and other feed grains. Since that time corn has been protected by a minimum support price of \$1.25 a bushel. Furthermore, it will be noted that the amendment does not require the Secretary to dispose of 100 million bushels of wheat a year for feed, and certainly he would not be expected to do so if it would break the market. I know that no one would expect him to do that, and certainly the Senator from North Dakota would not intend that.

I see no objection to the amendment.

Mr. BIBLE. Mr. President, I yield 5 minutes to the senior Senator from Louisiana [Mr. ELLENDER].

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry did not consider this amendment in connection with H. R. 10875 and did not have any testimony with respect to it.

I merely wish to point out that if the amendment is adopted, I am quite certain that it will adversely affect the price of feed grains. Under the law as it now stands, the Secretary has authority to sell feed grains if such sales will not substantially impair any price-support program. If he finds, for instance, that there is a shortage of corn, the Secretary now has authority to dispose of feed grains along the line suggested in the pending amendment.

But, as I understand it, the amendment would permit such sales even though the Secretary might be unable to determine that they would not substantially impair the price-support program—and even though such sales would have an unfortunate impact on that program.

Mr. President, it is my considered judgment that with a new 51 million base acreage for corn fixed in the bill, plus a provision permitting the Secretary of Agriculture to support corn grown by farmers who do not comply with acreage allotments, this year we

shall have corn running out of our ears; and I presume the Government will, under the program, purchase a good deal of the corn. If we compound this situation by increasing the feed supply even more—and that is what would happen if the Secretary sells 100 million bushels of wheat without taking into consideration the effect of that sale of wheat on support prices, the Government will have to take over even more corn.

In addition I understand an effort will be made sometime during the day to change the provisions of the small-grains section of the bill, thereby reducing price supports proposed for such grains.

As I pointed out in the debate when the Senate bill was substituted for H. R. 12, if it were possible for the Secretary of Agriculture to limit the production of small grains—that is, he could fix a base acreage upon the average of the land planted in 1953, 1954, and 1955—and to say to producers of small grains, "We will support your production at a higher price if you participate in the soil bank program, and if you plant only 85 percent of your base acres," the supplies of feed grains would be reduced without a reduction in the income of feed-grain producers. But if the present support levels for corn—both compliance and noncompliance—are retained and if small-grain production is not controlled and reduced, I am sure we are going to have feed grains in huge surplus at the end of this year. To further aggravate this situation by adding a tremendous amount of wheat to this over-supply of feed would, in my opinion, result in chaos.

The ACTING PRESIDENT pro tempore. The time granted the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am very happy to yield an additional 5 minutes to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana may proceed.

Mr. ELLENDER. Mr. President, I do not know what the Senate is going to do in respect to those provisions of the bill pertaining to small grains. I understand a compromise is in the offing. As chairman, my primary purpose is to protect the provisions of the Senate committee bill. Of course, if a new and better program for feed grains can be placed before the Senate, I would be one of the last to oppose it.

I merely wish to point out that if this amendment is adopted, in my humble judgment, it will further depress the price of grain, which, of course, is what many areas of the country desire.

The main opposition to the so-called small-grains amendments, as included in the pending bill, is that they will raise the price of these grains; and raise the prices of poultry and cattle feed, particularly in the Northeast. If, as is contemplated, we change the provisions of the pending bill in such a way as to permit farmers to plant whatever acreage to grain they desire, and support production at 76 percent of parity, and then direct the unrestricted sale of 100 mil-

lion bushels of wheat for feed, it is my judgment that the hog producers who do not grow their own feed, the cattle feeders, the poultry producers of the Northeast, and the dairy farmers will get cheap feed at the expense of the Federal Government.

Mr. President, I thought I would submit these views to the Senate before it votes on the amendment. I believe that Senators who are sincerely interested in the growing of corn—Senators from the corn-producing States—particularly my friend, the Senator from Iowa [Mr. HICKENLOOPER], and others in a similar situation—should be made aware of the implications of the amendment.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Has it been the observation of the distinguished Senator from Louisiana that when there is cheap grain the prices of livestock also go down?

Mr. ELLENDER. There is no doubt of it.

Mr. DANIEL. Has the Senator from Louisiana ever heard of our having a good livestock market when there was cheap grain?

Mr. ELLENDER. I never have. In my humble judgment, this amendment will be more or less a bonanza for the sections of the United States in which the producers are able to protect by marketing agreements and other means the prices of their commodities, as is done in the Northeast. The producers in the Northeast can enter into marketing agreements and sell their milk and milk products on a protected market; and, of course, the people of that area want cheap grain. They are opposed to the provisions of the pending bill affecting small grain.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am happy to yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. If we have a 76-percent support price on all small grains without acreage control, and if next year we should have the same program in effect, that is, a price support without acreage controls, we would further aggravate the price structure of all the protected grain commodities, particularly corn. Corn is bound to suffer.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. My major purpose in offering this amendment is to afford some relief to certain areas of the United States, particularly the Pacific Northwest. Farmers in those areas are not buying all their feed grains from United States farmers. For example, the Pacific Northwest is a feed-deficit area, and there is a great deal of low-grade wheat, the condition of which is bound to deteriorate. The farmers of that area are not permitted to use it. They are importing large amounts of feed grain from Canada and elsewhere. It is not my purpose in offering the amendment to depress the price of feed grains, because I agree with the chairman that cheap

feed grains mean cheap hog prices, and cheap prices for other commodities. But so long as there is this grain which is bound to deteriorate and which will have to be sold later, why not sell some of it now, when it can be sold to good advantage without destroying the market?

Mr. ELLENDER. The Senator will recall that when we held hearings in the Northwest the wheat growers stated that they would like to use some of their own wheat for feed, but they were obtaining most of their feed from Iowa, North Dakota, and South Dakota.

Mr. YOUNG. They can buy it cheaper in Canada now.

Mr. ELLENDER. What will happen, of course, is that the price of feed grains will be further depressed. The Senator knows that. The prices of oats, barley, and other grains are bound to be depressed when as much as 100 million bushels of wheat are put into feed consumption channels.

Mr. YOUNG. Would not the Senator agree that much of the wheat is bound to deteriorate, and will have to be disposed of anyway?

Mr. ELLENDER. The Secretary has authority to dispose of it now. We do not need this amendment to permit the Secretary to dispose of that wheat, but, under existing law, he must not undertake such a program if it would substantially affect the prices of other supported grains.

Mr. YOUNG. No. He must sell it at a higher price. Under this provision, he could sell it at a lower price than is possible in the present law, and before it goes out of condition.

Mr. ELLENDER. What does the Senator mean by the following language in his amendment:

*Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains.

There is such a provision in the law now, and I do not see any reason to repeal it.

Mr. YOUNG. As the Senator knows, the present law provides that the Secretary may not sell wheat or any other grain unless it is going out of condition, except at a stipulated price, namely, at the price support level plus 5 percent. This amendment would permit him to sell it at a somewhat lower price before it goes out of condition. Of course, when it goes out of condition he can sell it for any price he can get for it.

Mr. ELLENDER. I am sure the Senator is familiar with section 407 (c) of the present law, which contains the following language:

Sales for seed or feed, if such sales will not substantially impair any price support program.

The present law does not say anything about whether or not the commodity is deteriorating; it gives the Secretary authority to sell wheat for feed, provided such sale does not affect the price support program for other grains.

Mr. YOUNG. The Senator knows that there is another provision in the law under which the Secretary may not sell such grain for less than the price support

level plus 5 percent. Over the past several years a great deal of corn was disposed of because it was going out of condition.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has again expired.

Mr. BIBLE. I yield 5 additional minutes to the Senator from Louisiana.

Mr. YOUNG. Why not permit the Secretary to sell a little of the wheat in areas where it is badly needed, and where it will not affect the price of other feed grains.

Mr. ELLENDER. Has not the Secretary now the authority—

Mr. YOUNG. No; he has not.

Mr. ELLENDER. Has not the Secretary the authority at present to sell grains which have deteriorated?

Mr. YOUNG. He has authority to sell grains which have deteriorated, but this amendment would give him permission to sell the grain before it goes out of condition.

Mr. ELLENDER. What the Senator wants to do is to dispose of grain before it goes bad.

Mr. YOUNG. To dispose of low-grade wheat, which is not suitable for milling and before it goes out of condition.

Mr. ELLENDER. I merely wished to bring the situation to the attention of the Senate. As chairman of the committee, I should like to point out that the committee did not consider the amendment in connection with the pending bill. No witnesses testified as to the effect of the proposed amendment on other price supported grains. I argue the question from the standpoint that, with noncompliance corn producers able to plant—and I am sure they will plant—all the corn they can and still receive price support, we can expect more corn this year, than we have ever had in the history of our country.

Mr. YOUNG. The Senator knows that this amendment was considered by the committee earlier this year.

Mr. ELLENDER. It was proposed in a bill which was introduced on behalf of the administration by the Senator from Vermont [Mr. AIKEN]. However, as the Senator knows, we did not hear complete testimony on it. I heard every word of the testimony during the farm-bill hearings, but I do not recall much mentioned in connection with the unrestricted sale of 100 million bushels of wheat.

Mr. YOUNG. Which indicates that there was not much objection to it.

Mr. ELLENDER. If there had been no objection to it, we would have put it into the bill; but the fact is that we did not do so.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I believe I heard the distinguished chairman just state that this amendment was not considered by the committee. Is that correct?

Mr. ELLENDER. That is correct—that is, by way of receiving testimony thereon. It was in a bill introduced by the distinguished Senator from Vermont, but it was not even brought up in connection with H. R. 10875.

Mr. HOLLAND. If the Senator will further yield, does not the Senator re-

member that the entire question of feed grains was a subject which occupied by far the largest part of the committee's attention?

Mr. ELLENDER. I have so stated many times on the floor of the Senate.

Mr. HOLLAND. Does not the distinguished chairman know that members of the committee who have not too much at stake in the final passage of the bill, one way or the other, have been working for days to find some kind of solution of the feed-grain situation, which will be mutually acceptable, without having any knowledge that this amendment was to be offered?

Mr. ELLENDER. To be frank, I have not been included in the councils of those who are trying to offer a substitute for the freed-grain provisions of the bill. However, I do know that some work has been done. I know that quite a number of Senators are now engaged in that endeavor.

Mr. HOLLAND. If the Senator will yield very briefly, it seems to me that the Senator from Louisiana very properly takes the position that it is his duty as chairman of the committee to stand by the committee's recommendations.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. But, nevertheless, he has been kept advised from day to day, for the past several days, of the very strenuous effort which is being made to compose the differences on the feed-grain problem.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Does the Senator note, from the date of the amendment, that it was submitted for printing only yesterday?

Mr. ELLENDER. I learned about it this morning. I made inquiry about it. I did not know of the existence of the amendment until it was brought to my attention today.

The ACTING PRESIDENT pro tempore. The acting majority leader has used 20 minutes of his time.

Mr. BIBLE. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. HOLLAND. Will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I should merely like to say that we are hopeful that we have worked out a satisfactory agreement. We have worked very hard on such an agreement, and have done so without any knowledge of the fact that this amendment was about to be proposed. It does inject a new aspect. It brings up the question of 100 million bushels of wheat, to be disposed of at a reduced price—at some price not even mentioned—for feed purposes, which means, of course, that such wheat would be competitive with all other feed grains.

Mr. ELLENDER. There is no doubt about that.

Mr. HOLLAND. Therefore we hope that the distinguished chairman of the committee will insist that the amendment be rejected.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Will the amendment help the wheat farmer in connec-

tion with this year's crop, and will it raise or lower the price of wheat?

Mr. ELLENDER. It will not help him because wheat production is controlled and wheat farmers have a price support program, insofar as they comply with acreage allotments.

Mr. CAPEHART. Will the amendment directly or indirectly have the tendency to raise the price of wheat or to lower it?

Mr. ELLENDER. The price to whom?

Mr. CAPEHART. To the farmer.

Mr. ELLENDER. No; it will not. I say that because the wheat farmers are now growing wheat under allotted acres at a fixed support price of about 82.7 percent of parity. Therefore the amendment would not affect the price of wheat they produce.

Mr. CAPEHART. It will not affect the farmer who comes under the price support provisions. However, I am talking about the farmer who does not comply.

Mr. ELLENDER. If he does not comply, he gets no price support.

Mr. CAPEHART. Would the amendment have a tendency to increase or decrease the free, open market price?

Mr. ELLENDER. It would decrease it.

Mr. CAPEHART. It would decrease the price for free open-market wheat?

Mr. ELLENDER. Yes. Take, for example, the small 15-acre wheat farmer. He sells his wheat to his neighbors; he does not comply with acreage allotments, and he is not penalized. If 100 million bushels of wheat are put on the market, as proposed by the amendment, the market is bound to be affected.

Mr. CAPEHART. In the Senator's opinion it would decrease the free open-market price of wheat?

Mr. ELLENDER. It would, in my opinion.

Mr. CAPEHART. And it would have a tendency to decrease the free open-market price of corn and oats and rye and barley, and other feed grain. Is that correct?

Mr. ELLENDER. There is no question about it. It would increase the free market supply and thereby decrease the price. As I said, it would further aggravate the situation.

Mr. President, I relinquish the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 2 minutes remaining.

Mr. ELLENDER. I relinquish the remainder of my time.

Mr. BIBLE. Mr. President, may I inquire whether any other Senators desire to speak in opposition to the amendment? Apparently not at this time.

Mr. YOUNG. Mr. President, I yield myself 2 minutes.

My amendment does not require the Secretary of Agriculture to sell 100 million bushels of wheat. It merely gives him permissive authority to sell it. He would sell the lower quality feed wheat, which we now have in storage to the extent of 900 million bushels. That wheat would be absorbed by a market which is now being supplied to considerable extent by Canadian growers. The bill provides further that the Secretary shall not dispose of it if such disposi-

tion would have any adverse effect on other grain markets.

We are disposing of, and have been from time to time, a large amount of corn. Some of that corn I do not believe was out of condition. Historically, the wheat farmers have supplied a large part of the feed market. They have now lost it.

I believe the corn interests here are being a bit unreasonable, if they feel that they should have four separate price supports for corn this year and then refuse to permit the Secretary to dispose of some surplus wheat.

I believe the amendment is entirely reasonable.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will not adopt the amendment. The Senate, in its consideration of the original farm bill, the Senate Committee on Agriculture and Forestry, and the House in their actions this year have shown that they are trying to do something which will assist the feed grain producers in meeting the problem with which they are confronted.

It appears to me that if we adopt the amendment and provide that 100 million bushels of wheat may be sold for feed, we will further depress the open market price of feed grain and corn and wheat. The adoption of the amendment would further complicate the problem which confronts us in our effort to do something about putting feed grain on a comparable basis with corn in the price support program.

I regret that I must differ with the distinguished author of the amendment, because I know he is interested, and has always been interested, in trying to enact legislation which would assist the feed grain producers. From what I have heard on the floor of the Senate this morning, the amendment would have an adverse effect, even though I know the Senator from North Dakota does not intend that his amendment should have that effect.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. YOUNG. I am one Member of the Senate who is certainly opposed to cheap feed grains. It is my firm belief that cheap feed grains mean cheap prices for pork, beef, dairy products, and so forth. If the effect of the amendment was to hurt these producers I certainly would not propose it. I would not propose it if I thought for a moment that it would have any adverse effect on the market of grain or other commodities.

However, we cannot seal up forever all the wheat and not let some of it be used for feed purposes. I do not know of any reason why the Secretary of Agriculture should not be given permissive authority to sell some of the stored wheat. Why encourage the production of more corn and then not permit the sale of any wheat for feed purposes.

Mr. DANIEL. From what I have heard other members of the committee say on the floor and from what I have otherwise learned of the amendment, I believe it would further depress the feed grain market.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. BIBLE. Mr. President, I yield 2 additional minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will follow the advice of the chairman of the committee and of other members of the committee, and vote to reject the amendment.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, one of the most difficult tasks in connection with the farm program was that of trying to work out a satisfactory solution of the small feed grain problem. The pending amendment, in my opinion, would upset the whole appercart, so to speak. The 100 million bushels of wheat which would be disposed of would be in competition with other small feed grains. There can be no question about that. That would be the effect if 100 million bushels of wheat were thrown into the corn and other feed grains markets. Of course, the effect also would be to depress the market in the fields of other small feed grains.

The amendment was not considered by the committee. We did not study it. Naturally, as one member of the committee, I would hesitate to vote for it, much as I admire the Senator from North Dakota who submitted the amendment, because he and I generally see eye-to-eye on farm problems.

I believe if the amendment is adopted we will have undone all the work of the committee in the effort to solve the feed-grains problem. For that reason, I hope the Senate will not adopt the amendment.

The ACTING PRESIDENT pro tempore. The Chair will state that those opposing the amendment have 3 minutes remaining. Those proposing the amendment have 24 minutes remaining.

Mr. BIBLE. Mr. President, if there are no further requests for time, I am prepared to yield back the remainder of our time, if the proponents of the amendment will yield back the remainder of their time.

Mr. YOUNG. Mr. President, I do not desire to say anything further on the amendment.

The ACTING PRESIDENT pro tempore. The Chair understands that all time has been yielded back on the amendment. The question is on the adoption of the amendment offered by the Senator from North Dakota [Mr. YOUNG].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, and that the time be not taken out of either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 3 minutes on the bill to the Senator from Iowa [Mr. HICKENLOOPER].

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 3 minutes.

Mr. HICKENLOOPER. Mr. President, I am sorry that I have to oppose this amendment. I shall try in 2 minutes to state my reasons.

The whole purpose of our action on the agricultural bill is to assault the problem of surpluses at the source. There may be some disagreement as to the best method of accomplishing this objective. While I realize that the amendment does not provide a compulsory dumping of 100 million bushels of wheat a year, it is permissive, and the pressure would be tremendous to compel any Secretary of Agriculture to do that, and we could look forward to the probability that he would do it.

In effect, Mr. President, it would add to the already overburdened surplus of the total feed supply. That is what is depressing the market at this time. The adoption of the amendment would only compound the difficulty, in my view. While I have every sympathy with the Senator from North Dakota [Mr. YOUNG], and I am sorry I must oppose this amendment, for the reasons stated I think it would not contribute to relieving the surplus feed supply but would contribute to the overburden and bring upon us more trouble.

Mr. YOUNG. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. YOUNG. If it would compound farm difficulties, why did President Eisenhower and Secretary Benson ask for it?

Mr. HICKENLOOPER. I do not know why. I have not talked to either of them concerning it. I am looking at the question from my standpoint and from the standpoint of adding more cheap feed to an already overburdened supply.

That is my position, Mr. President.

SEVERAL SENATORS. Vote! Vote!

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG]. [Putting the question.]

On this vote the Chair is in doubt.

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Chavez	Hayden
Allott	Clements	Hennings
Anderson	Cotton	Hickenlooper
Barrett	Curtis	Hill
Beall	Daniel	Holland
Bender	Dirksen	Hruska
Bennett	Douglas	Humphrey
Bible	Duff	Ives
Bricker	Dworshak	Jackson
Bridges	Eastland	Jenner
Bush	Ellender	Johnson, Tex.
Butler	Flanders	Johnston, S. C.
Byrd	Frear	Kerr
Capehart	George	Knowland
Case, N. J.	Goldwater	Kuchel
Case, S. Dak.	Green	Laird

Langer	Neuberger	Smith, N. J.
Long	O'Mahoney	Sparkman
Magnuson	Pastore	Stennis
Mansfield	Payne	Symington
Martin, Iowa	Potter	Thye
Martin, Pa.	Purtell	Watkins
McClellan	Robertson	Wiley
McNamara	Russell	Williams
Millikin	Saltonstall	Wofford
Monroney	Schoeppel	Young
Mundt	Smathers	
Murray	Smith, Maine	

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business. The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. KNOWLAND. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the junior Senator from North Dakota [Mr. YOUNG], which will be stated.

The LEGISLATIVE CLERK. On page 42, between lines 6 and 7, it is proposed to insert the following new section:

#### SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURRAY (when his name was called). On this vote I have a pair with the distinguished senior Senator from West Virginia [Mr. NEELY]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the distinguished senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the

Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting the Senator from North Carolina would vote "nay" and the Senator from Arkansas would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

The Senator from New York [Mr. LEHMAN] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from New York would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 49, nays 31, as follows:

#### YEAS—49

Alken	Frear	Neuberger
Allott	George	Pastore
Barrett	Green	Payne
Beall	Hill	Potter
Bennett	Hruska	Purtell
Bridges	Ives	Russell
Bush	Jackson	Saltonstall
Butler	Knowland	Schoeppel
Byrd	Kuchel	Smith, Maine
Case, N. J.	Laird	Smith, N. J.
Case, S. Dak.	Langer	Sparkman
Chavez	Magnuson	Watkins
Cotton	Mansfield	Wiley
Curtis	Martin, Pa.	Williams
Duff	McClellan	Young
Eastland	Millikin	
Flanders	Mundt	

#### NAYS—31

Anderson	Goldwater	Martin, Iowa
Bender	Hayden	McNamara
Bible	Hennings	Monroney
Briker	Hickenlooper	O'Mahoney
Capehart	Holland	Robertson
Clements	Humphrey	Stennis
Daniel	Jenner	Symington
Dirksen	Johnson, Tex.	Thye
Douglas	Johnston, S. C.	Wofford
Dworshak	Kerr	
Ellender	Long	

#### NOT VOTING—15

Carlson	Kennedy	Murray
Ervin	Lehman	Neely
Fulbright	Malone	Scott
Gore	McCarthy	Smathers
Kefauver	Morse	Welker

So Mr. YOUNG's amendment was agreed to.

Mr. AIKEN. Mr. President, I call up my amendment identified as "5-16-56-C."

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Vermont will be stated.

The LEGISLATIVE CLERK. On page 69, beginning with line 22, it is proposed to

strike out all down through line 8, on page 70.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized for 30 minutes.

Mr. AIKEN. Mr. President, this amendment would strike out a provision of the bill which would partially restore one of the provisions of the bill passed earlier in the year, and to which the President objected in his message. The provision of the bill which this amendment would strike out does not fully restore the dual-parity formula; it freezes transitional parity at its present level, not only for this year, but for 2 more successive years.

I realize as well as anyone else that a parity formula which is designed to meet conditions in one year may not be workable a few years later; and I freely admit that it probably needs some revision. I understand that the Department of Agriculture already is starting work on a revision of the parity formula which it can recommend to Congress. That work will take some time; but it will not take 2 years. Neither is it necessary to freeze the present transitional parity level where it is. There are only 3 crops, of approximately 160, which would benefit by such a freeze. Corn, wheat, and peanuts would receive slight benefits. They are already getting the benefit of a transitional parity price this year, but we should not freeze it at the same level for another 2 years following the calendar year 1956.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AIKEN. I yield.

Mr. YOUNG. I may say that the whole purpose of freezing the transitional parity formula where it is is to prevent the modernized parity formula from going into effect until a new and fair parity formula can be enacted into law.

The Senator from Vermont knows that the dairy groups and almost all other farm groups believe that the modernized parity formula does not represent a fair parity value.

My purpose in freezing it for 2 years was to enable the Department of Agriculture to make a study of parity formulas and to make recommendations thereon to Congress so that Congress could provide for a new parity formula.

I believe perhaps that could be accomplished in a year. Although I should like to see 2 years allowed, if the Senator from Vermont will modify his amendment so as to have it provide that the transitional parity formula shall apply for only 1 additional year (1957), and with the provision that the Secretary of Agriculture shall be required to study these formulas and to make recommendations to Congress early next year, I will be willing to accept the amendment as thus modified.

Mr. AIKEN. Mr. President, as I have said, I think the parity formula needs a rather generous and thorough review and possibly an overhaul. In fact, I do not believe we can establish today a par-

ity formula which will hold good and equitable even 10 years from now. I thoroughly approve of the proposal of the Senator from North Dakota that the parity formula be studied, with a view to revising it, so as to bring it more nearly up to date.

As the situation is today, the producers of certain commodities can make substantial profits by producing on the basis of 60 percent or 65 percent of parity, whereas other producers—and the Senator from North Dakota mentioned the dairy farmers—will very little more than break even at 100 percent of parity. I do not know where the producers of grain crops fit into the picture.

Today, we are trying to work out a farm bill which has many very fine features in it.

If it is agreeable to the Senate, I do not believe any great damage would be done by continuing the present transitional parity for 1 year more. I think that if we were to continue it for 2 years more we might just make a bad matter worse. If we restrict the time to 1 year, I think we are more likely to get a good, thorough review and recommendations for a new formula, than if we were to let it remain in effect for any additional time.

I would change the amendment so as to meet halfway the Senator from North Dakota. It was his proposal to put that in the Senate version of the bill. I would be glad to do that. I do not think the administration would be very happy with it.

Mr. YOUNG. I would not be entirely happy with it, either.

Mr. AIKEN. But in a spirit of compromise, I think that would be meeting each of the two points of view halfway.

Mr. THYE. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. THYE. I am very pleased to have the ranking minority member of the Committee on Agriculture and Forestry state that he is willing to accept a compromise on this amendment.

I had studied the amendment, and had reached the conclusion that I would have to oppose it, because I felt definitely that to go through with the full transitional parity and take the loss involved in the case of both the dairy commodity producers and the wheat producers, would be an injustice to agriculture; and I felt that the Department of Agriculture should make a study.

There is no reason why the Department cannot complete the study within a year's time and submit to Congress a recommendation and a complete explanation of what the parity equivalents are with respect to the various commodities and products. Then we can act intelligently in the following year.

So long as the ranking Republican member of the Senate Committee on Agriculture and Forestry is willing to modify his amendment, I think we have arrived at a good compromise, and have reached a solution which will not require a yea-and-nay vote on the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE of South Dakota. I am happy to see this problem approaching a solution. However, I think there is a slight conflict in the language which appears in the bill, as between the title and the text of the bill. Perhaps there is some technical feature which I do not understand.

I invite the attention of Senators to the fact that, on page 69, lines 22 and 23 constitute the heading "Transitional Parity for Basic Commodities Frozen During 1957 and 1958."

As I understand the colloquy, it is the Senator's intention to strike out, on page 70, in lines 2 and 3, the words "or 1957."

Mr. AIKEN. Mr. President, to meet the views which have been represented by the Senator from North Dakota [Mr. YOUNG] and other Senators, and in the spirit of compromise and endeavor to obtain a good bill, I wish to modify my amendment by striking out the language of the amendment and proposing that there be stricken out, in line 23 on page 69 of the bill, the words "and 1958"; and, in lines 2 and 3 on page 70, the words "or 1957."

I modify my amendment accordingly.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The question is on agreeing to the amendment offered by the Senator from Vermont, as modified.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. As I understand, the amendment would provide that transitional parity be carried forward 1 more year, through 1957.

Mr. AIKEN. Through 1957 instead of through 1957 and 1958.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. As I understand, that would allow a full year for congressional study.

Mr. AIKEN. That is true.

Mr. MUNDT. It would enable Congress to make a careful study of the parity situation while the transitional parity remained in effect.

Mr. AIKEN. It would give Congress the remainder of this year and another year in which to thoroughly overhaul the parity formula.

Mr. MUNDT. I think that is very satisfactory, and a constructive compromise.

Mr. ELLENDER. Mr. President, I listened to the discussion between the distinguished Senator from Vermont and the distinguished Senator from North Dakota. As I understand, the language in the bill would remain the same, except that the transitional parity would be frozen for 1 year instead of 2.

Mr. AIKEN. It would be frozen where it is for 1 year instead of 2.

Mr. ELLENDER. I have no objection.

The PRESIDING OFFICER. Does the Senator from Vermont yield back his remaining time?

Mr. AIKEN. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the modified amendment offered by the Senator from Vermont [Mr. AIKEN].

The amendment, as modified, was agreed to.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 30, after the period in line 12, it is proposed to insert the following:

Nothing contained in this section shall prevent the production of such crops on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations, especially of waterfowl for beneficial use.

Mr. MUNDT. Mr. President, if I may have the attention of Senators, I think this amendment can be disposed of in a great deal less time than the 30 minutes allotted to me. This is one of the happy situations in which I am proposing what I hope is a noncontroversial amendment to the agricultural bill.

The Fish and Wildlife Service has called to my attention the fact that, without the definitive amendment which I have proposed, it would have to dispense with the established practice of providing feed for migratory waterfowl on wildlife refuges. The practice which is being followed at the present time, and which has been followed for many years, is that the Fish and Wildlife Service makes a sharecropping contract with farmers of the area, whereby they permit a considerable portion of their grain to remain unharvested and available for the birds, whereas if we were to insist upon the language of the bill, without this interpretive amendment, the Department of Agriculture would then require the Fish and Wildlife Service itself to operate these farm tracts and would bar these wildlife refuges from raising price-supported crops.

Section 125, if not amended, would leave the Department of Agriculture authority to restrict cultivation of lands lying within wildlife refuges. Such an order would have a devastating affect upon the national wildlife refuge program and would probably destroy the progress in this conservation field made over the past two decades. My amendment specifically denies such authority to the Department of Agriculture.

The Department of Agriculture proposed in an administrative letter of February 10, 1956, to the President to stringently regulate the leasing of Government land for cultivated crop use. There is no reason to believe the Department of Agriculture has substantially altered its position at this date. The present language of section 125 leaves the Department of Agriculture a free hand to implement its administrative intention of earlier this year and the section should be amended because:

First. It would result in the closing of our wildlife refuges. Over \$70 million have been devoted to the management

and development program to preserve our continental waterfowl resources.

During the calendar year 1954, 597 individual permittees farmed 32,163 acres of Government-owned land for themselves and 26,255 acres for the Fish and Wildlife Service of the Department of the Interior. By sharecropping the Service has been able to maintain a minimum continental waterfowl population in the face of the thousands of acres lost through oil and gas pollution, salt water infiltration of intracoastal canals and waterways, sulfur and other mining pollution, and the tremendous acceleration of marsh and pothole drainage in the United States. By their sharecropping program the Fish and Wildlife Service has found it can increase the carrying capacity of our original refuge lands nine times. The Service has advised me that sharecropping is the only hope of preserving the waterfowl population and that it cannot continue the operation of important waterfowl refuges if sharecropping is not permitted.

Second. Production of price supported commodities now in surplus supply on wildlife refuges is not statistically important. In 1954 the 597 permittees operating within Federal wildlife refuges harvested 562,851 bushels of grain for their own use. In doing so they made available to waterfowl 500,408 bushels of grain and 9,524 acres of green forage. If the Fish and Wildlife Service were required to operate themselves the farms presently operated on a sharecropping basis it would require additional appropriations of \$5 million and 1,000 new personnel. This would be manifestly impossible from the standpoint of the Federal budget.

The 562,851 bushels of grain raised by producers for themselves on wildlife refuges is statistically unimportant and indeed not a significant factor in the overall accumulation of surpluses.

Third. Approval of the section as it now reads would seriously damage the good name of the Government. In the purchase of each refuge project, some farms had to be purchased or condemned outright, and very few of the farmers bordering upon the approved boundaries escaped without some severance of their holdings. They were assured that, having sold their land to the Government and suffered such damages, grazing and farming opportunities on refuge lands in connection with the waterfowl food production program would be given first to them, on a share crop basis.

Mr. President, as a former State president of the Izaak Walton League in South Dakota and as one who for more than 6 years served on the South Dakota Game and Fish Commission, I know how hard it has been to bring back satisfactory duck populations in this country. Surely we do not want to take a backward step now that our constructive efforts have begun to bring gratifying results.

I have discussed this amendment with the chairman of the committee. I hope he will join me in making this amendment a part of the proposed legislation.

Mr. ELLENDER. Mr. President, section 125 of this bill, which is now sought

to be amended by the distinguished Senator from South Dakota, is a section similar to the one which was incorporated in H. R. 12, which was vetoed by the President. When that section was presented to the committee, it was worked over very carefully by the various departments of Government involved. They took the position, after a study of the question, that the bill should be amended so as to assure the maintenance of a satisfactory wildlife population in our national wildlife refuges. Since that is the purpose of the Senator in offering this amendment, I shall have no objection to the amendment. As I understand, the purpose of the amendment is to make section 125 of the bill—which prohibits leasing of Government lands for the production of surplus price-support crops—inapplicable to crops produced on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations. Section 125, as it appears in the bill with the committee amendment, is identical to a similar section contained in H. R. 12, the language of which was supplied to the conferees by the executive branch, and which had been prepared as a result of lengthy study by an interdepartmental committee. I have been advised by the Department of the Interior that section 125, as it appears with the Senate amendment, will permit production on national wildlife refuges where necessary to maintain satisfactory wildlife populations.

Mr. MUNDT. The purpose is to place the support of Congress behind the practice which already prevails and to make clear by the legislative history of this bill that Congress intends that the prevailing practices be continued.

Mr. ELLENDER. I have no objection to the amendment, Mr. President.

Mr. MUNDT. I should like to add that the chairman of the committee is correct when he says that an amendment similar to this amendment was contained in the vetoed bill. However, I wish to make it clear in the RECORD that the President raised no objection in his veto message to this particular section.

Mr. ELLENDER. I understand that to be the fact. I did not mean to infer that there was any objection on the part of the President.

Mr. MUNDT. I thank the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. My reason for wishing to be recognized, Mr. President, was merely to state that in my opinion the pending amendment is a good amendment. I wish to commend the author of the amendment for having offered it. I believe it improves the bill.

Mr. MUNDT. I thank the Senator, both for his words of commendation and for his support.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back the time in opposition.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is

on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I call up my amendment, which lies on the desk, to insert certain language on page 4, line 24.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 24, after the word "grazing," it is proposed to insert the following:

In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under this contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

Mr. O'MAHONEY. The proposed amendment is substantially the same amendment which was offered by my colleague the senior Senator from Wyoming [Mr. BARRETT] when the former farm bill was under consideration by the Senate. It was worked out by us generally in connection with representatives of livestock growers throughout the country, and constitutes an effort to apply a penalty to prevent the grazing of soil-bank reserve land, so that the soil bank will not increase the supply or population of livestock in the United States as a result of that provision, and thereby create a livestock problem more serious than the one which now confronts the industry.

The amendment was adopted by the Senate when it considered the previous farm bill, and it was sponsored by the following Senators: BARRETT, ALLOTT, BIBLE, CASE of South Dakota, BENNETT, CURTIS, DANIEL, DWORSHAK, GOLDWATER, HRUSKA, KUCHEL, LANGER, MAGNUSON, MALONE, MURRAY, MANSFIELD, WATKINS, WELKER, and myself. That indicates the bipartisan character of the Senators backing the amendment.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARRETT. Is the amendment substantially the same as that which was adopted by the Senate on the farm bill that was previously before the Senate?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. The purpose of the amendment is merely to make certain that lands which are diverted under the two different provisions of the soil bank will not be used for grazing purposes. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. I can see no reason why the language, having been accepta-

ble before, should not be acceptable to the Senate at this time.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ALLOTT. I desire to make my position well known on this amendment. Having joined in sponsoring a very similar amendment during the consideration of the previous farm bill, it seems to me that such a provision as is contained in the amendment is almost a necessary part of any farm legislation which may be passed.

Therefore, I appreciate the opportunity to express my support of the amendment. By all means it should not be omitted as a part of the new act.

Mr. O'MAHONEY. Mr. President, in view of the fact that there are two reserve programs contained in the bill, a similar amendment should be added on page 15, line 8. If there is no objection, I should like to state that amendment and ask that the Senate adopt both at the same time.

I offer an amendment on page 15, line 8, after the word "contract," to add the following words: "including the prohibition of grazing of conservation acreages."

I believe there is no opposition to the amendment, and I hope it may be adopted.

Mr. ELLENDER. I merely wish to state that, as the Senator from Wyoming [Mr. O'MAHONEY] has just pointed out, the two amendments were adopted unanimously when the bill was considered by the Senate several weeks ago. In conference, both amendments were modified to the extent of a 50-percent penalty to be applied to violators. I have no objection to the adoption of the amendments and to taking them to conference in an effort to work out satisfactory provisions.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. The Western Livestock Association of North Dakota and the livestock men of my State generally are unanimously in favor of the amendments.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back my time.

Mr. O'MAHONEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing, en bloc, to the amendments offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendments were agreed to.

Mr. ANDERSON. Mr. President, I call up my amendment "5-17-56-I."

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words "and the provisions of section 344."

On line 23, after the figure "1956", strike out the comma, insert a period, and strike out the remainder of the paragraph.

Mr. ANDERSON. Mr. President, the language now contained in the bill, al-

though it appears to be an attempt to carry over the 1956 acreage into the years 1957 and 1958, rather effectively repeals the provisions now in the Cotton Acreage Act which relate to the principle of growth.

I say that because cotton acreage history will be based upon a five-year period. If we freeze in the States the 1957 and 1958 allotments at the level of the 1956 allotment, we shall have successfully frozen them for 3 of the 5 years, and thereby shall have made it possible to freeze them for the rest of the history of cotton growing in this country, unless the law is finally repealed or some other adjustment made.

I do not believe that was the purpose of the amendment of the committee which my amendment proposes to strike out. I believe it is possible that those who sponsored it thought it could be adopted and that it would not affect history. But we cannot have a provision of this nature in the bill and expect anyone who comes from the States of California, Arizona, New Mexico, or Texas to vote for the bill on final passage. This would be the worst thing that could ever happen to agriculture in those States. There must be some recognition taken of the fact that it would defeat everything that was written into the Cotton Acreage Adjustment Act of 1949.

Mr. President, I have great respect for my able friend from Mississippi [Mr. STENNIS]. He would like to have me withdraw my amendment until there is an opportunity to consider some alternate language which is being proposed.

I ask unanimous consent that I may withdraw my amendment at this time without sacrificing my right to present it subsequently for consideration without the time being taken from either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 50, it is proposed to strike out line 7.

Beginning on page 51, with line 19, strike out through line 19 on page 54.

Mr. WILLIAMS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS. Mr. President, the purpose of my amendment is very simple. It merely strikes out of the bill all those provisions which would for the first time extend mandatory support prices to barley, grain sorghums, oats, and rye. Under the existing law, support prices have been given to those commodities only at the discretion of the Secretary of Agriculture. This bill would compel the Secretary of Agriculture to support those products at 76 percent, or an increase of about 10 percent.

As evidence of what is already being done under the existing law with reference to those commodities, I point out that in the first 7 months of the current fiscal year, the Government has already

lost \$30,014,254 on barley; \$36,915,655 on grain sorghums; and it has sustained a loss of \$11,118,217 in supporting oats and \$5,894,803 in supporting rye.

This bill now proposes to write into the law a mandatory provision whereby the Secretary of Agriculture would be compelled from now on not only to continue to support these commodities but also to continue to support them at an even higher level than that which was obtained in the past. The loss would be almost beyond estimation both from the standpoint of the Federal Treasury and from the standpoint of the feeders of livestock and poultry.

Mr. President, I ask for the yeas and nays on the amendment. I will then be willing to yield to any Senator who wishes to speak on this amendment. The question involved is merely whether or not for the first time we are going to extend mandatory support prices to those feed grains.

Mr. President, I ask that the yeas and nays be ordered on this amendment.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I reserve the right again to ask for the yeas and nays.

At this time I yield 3 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, ordinarily I would support the amendment offered by the Senator from Delaware. I think the amendment provides for something that should be done. I am practical enough, however, to know that it cannot be done. I also know that many of us, and many Department of Agriculture officials, administration representatives, and others have been working to find a mutual ground on which we can get together and obtain legislation which will not be harmful to any of the States of the Union and which will benefit many of them.

The proposal which we will make will be offered by the Senator from Florida [Mr. HOLLAND] in an amendment relating to the support prices for corn and feed grains. I shall strongly support the proposal of the Senator from Florida when it becomes the pending question before the Senate. I agree with the Senator from Delaware that, from the point of view of our sections of the country, his amendment would be the best thing. However, I am practical and, in order that New England and the northeast part of the country do not get something which is very bad such as the feed-support provision of the House bill, I feel that I must support the amendment to be offered by the Senator from Florida which I shall join him in offering.

Mr. WILLIAMS. Mr. President, the Senator from Vermont will agree with me, will he not, that the rejection of my amendment would be injurious both to the dairy industry and to the poultry industry in that it would raise the feed cost far above that which prevails under the existing law?

Mr. AIKEN. I do not think anyone can answer that question. We know that the great abundance of feed grains, and their low cost, have encouraged

many people to go into livestock and poultry production thereby increasing the competition and depressing the markets for our northeastern producers. I do not think anyone can say what the ultimate advantage or disadvantage would be.

I will say, however, that if I were not trying to view the farm bill objectively, and to work out the best possible bill, my inclination would be to vote for the Senator's amendment. But I think, under the circumstances, it is better to support a proposal which I feel can be approved and which will result in obtaining legislation which will be of benefit to nearly all the people of the United States and detrimental to almost none of them.

Mr. DANIEL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DANIEL. Does the Senator realize that in the original farm bill the Senate expressed itself in approving much higher support prices?

Mr. WILLIAMS. Yes; and the President vetoed the bill, and I agreed with him. I recognize that the amendment to be offered by the Senator from Florida is better than the provision already in the bill; however, I do not believe in compromising until we have been defeated. I believe in first ascertaining whether we have enough votes, and in this instance I feel confident of victory.

Mr. President, I ask unanimous consent that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall not object—I think the Senator from Delaware and Senators from areas like his own are entitled to have a chance to go on record in this matter, and the time of the Senate will be saved if we proceed in this way, rather than to have every Senator affected make a speech, or to have a quorum call and another request.

However, I must say that I think the amendment offered by the Senator from Delaware goes much further than the Senate would possibly go, in view of the expressions heretofore made on the floor during the debate on the previous bill, and also in view of the fact that since that time price supports have been granted for noncomplying corn in the commercial corn areas, which make even more serious the plight of the small grain producers.

So while I am not at all agreeing with the amendment of the distinguished Senator from Delaware, I feel that his request is meritorious, and I hope it will be granted.

Mr. DANIEL. Mr. President, I wish to make the record clear that my failure to object to the unanimous-consent request a moment ago was simply to expedite the matter. I shall not object to the unanimous-consent request, but I certainly oppose the amendment offered by the Senator from Delaware because I think it would do great harm not only to the proposed legislation, but also to the farmers of the country who raise corn and other feed grains.

Mr. CASE of South Dakota. Mr. President—

Mr. WILLIAMS. My request is merely to have a record vote on the amendment. I do not see how there could be any objection to that.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I had hoped to ask the Senator from Vermont [Mr. AIKEN] what the alternative was. I have heard rumors that an alternative amendment would be offered following whatever action might be taken on the amendment offered by the Senator from Delaware. I was wondering if we would save time by having a record vote if the amendment is doomed to failure. I do not know whether it is or not; I have heard rumors that it was.

Mr. WILLIAMS. The only thing which would cause the amendment to be doomed to failure would be that it did not receive enough votes to be adopted. We will not know about that until we have had an opportunity to vote on it.

Mr. CASE of South Dakota. How Senators might vote on the amendment of the Senator from Delaware might be affected by what the alternative proposal might be. If another amendment is to be offered, perhaps we should know something about it before we commit ourselves on the amendment offered by the Senator from Delaware.

Mr. HOLLAND. Mr. President, simply for the information of the Senator from South Dakota, the Senator will find on his desk a mimeographed copy of the amendment which will be offered after the disposition of the pending amendment—that is, if the pending amendment be defeated by a vote of the Senate. The amendment proposed to be offered by the Senator from Florida for himself and on behalf of other Senators, including the Senator from Vermont [Mr. AIKEN], will by no means strike from the bill all provisions favorable to the small grain producers, but will afford far better treatment of them if the bill shall be passed.

The amendment offered by the Senator from Delaware would, in effect, strike from the bill entirely provisions affecting the producers of small grains, and leave them subject to the conditions of the present law.

I hope the vote may be taken promptly; and then, if I am permitted to do so, I shall be glad to offer my amendment, a copy of which is on the desk of all Senators.

Mr. CASE of South Dakota. If the amendment offered by the Senator from Delaware should be rejected, would there then be any occasion to offer the amendment which the Senator from Florida intends to propose?

The PRESIDING OFFICER. The 10 minutes of the Senator from Delaware have expired. Does the Senator from Delaware yield himself additional time?

Mr. WILLIAMS. I do not yield time to Senators to debate the amendment if they are opposed to it.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Florida.

Mr. WILLIAMS. Mr. President, may we have the yeas and nays ordered on my amendment?

The PRESIDING OFFICER. The Senator from Delaware has previously made a unanimous-consent request that the yeas and nays be ordered on his amendment. Is there objection to that request?

Mr. CASE of South Dakota. Mr. President, I do not think I am being arbitrary or unreasonable in trying to ascertain whether or not we shall be foreclosed an opportunity to vote on another amendment in connection with this matter. The Senator from Florida was about to answer that question.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. If the amendment offered by the Senator from Delaware, which is now under consideration, should be rejected by the Senate, would not the Senator from Florida have a right to offer his amendment, a copy of which has been printed and is lying on the desk of each Senator, and which relates to a much more definite treatment of the problem than does the amendment of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Florida may offer his amendment.

The Senator from Florida was recognized for 5 minutes.

Mr. HOLLAND. I simply wanted to bring out that fact, which I think was all that stood in the way of the granting of the request of the Senator from Delaware for a yeas-and-nays vote.

I am perfectly willing to discuss my amendment now, but I do not think this is the proper time to do so. The Chair has advised the Senate that in the event of the rejection of the pending amendment offered by the Senator from Delaware, the Senator from Florida could offer his amendment. I hope that that ruling will now lead to a granting of the request of the Senator from Delaware.

Mr. CASE of South Dakota. Mr. President, I withdraw my reservation of objection.

The PRESIDING OFFICER. In order to clarify the record, there is pending a unanimous-consent request by the Senator from Delaware that the yeas and nays on his amendment be ordered. Is there objection to that request? If not, the yeas and nays are ordered.

Is there any further request for time on the amendment offered by the Senator from Delaware?

The time in opposition to the amendment is in control of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated earlier during the debate on this measure, I do not suppose there is a provision in the bill which has given us more difficulty than has the provision affecting feed grains and corn. I cannot believe that the Senate will refuse to enact some kind of legislation which will protect the feed grain producers, in the light of what has been done for the producers of corn.

I understand there is in the offing a compromise amendment which will be

offered by the Senator from Florida. So far as I am concerned, as chairman of the Committee on Agriculture and Forestry, I, of course, will try to maintain those provisions which were incorporated in the bill by the committee. But if the compromise is acceptable to the Senators from the grain States, and an agreement can be reached, the fight I intend to make for the committee provisions on feed grains will undoubtedly be fruitless. I realize that.

However, I am very hopeful that the amendment offered by the distinguished Senator from Delaware will be rejected, so that in due time the Senate may have an opportunity to consider the small grains sections, as provided in the bill, or as may be provided by the amendment which I understand is to be offered by the distinguished Senator from Florida.

The PRESIDING OFFICER. Does the proponent of the amendment, the Senator from Delaware, yield back the remainder of his time?

Mr. WILLIAMS. I am ready for a vote on this amendment unless some other Senator wishes to speak.

Mr. President, I ask unanimous consent that there may be a quorum call, with the time for the quorum call not being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll, with the understanding that the time for the quorum call will not be charged to either side.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I was wondering if the Senator from Louisiana wished to discuss the amendment further.

The PRESIDING OFFICER. The attention of the Senator from Louisiana is called to the inquiry of the Senator from Delaware. The question is, Does the Senator from Louisiana care to discuss the amendment further?

Mr. ELLENDER. No, Mr. President. If the Senator is willing to yield back his time, I shall do likewise.

Mr. WILLIAMS. Mr. President, I shall yield back the remainder of my time, but first I should like to take about 1 minute in further explanation. The issue here is very simple—it boils down to the question as to whether or not the Senate wants to authorize mandatory support prices for all types of feed grains. The adoption of this new principle will substantially raise the feed cost to all poultry and dairy farmers without any corresponding benefits. This year we have already lost \$30 million on barley, \$36 million on grain sorghums, \$11 million on oats, and \$5 million on rye. How much more do the producers of these commodities want?

Let us not write into the law that the Secretary shall have to continue to support these commodities, not at his discretion, but at mandatory price supports much higher than at present.

I am confident that such action would seriously affect both our poultry industry and the dairy industry in the Northeast. I urge the adoption of this amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Millikin
Allott	George	Monroney
Anderson	Goldwater	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bridges	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Long	Thye
Douglas	Magnuson	Watkins
Duff	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Woford
Ellender	McCarthy	Young
Ervin	McClellan	
Flanders	McNamara	

The PRESIDING OFFICER (Mr. BIBLE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called Williams amendment, designated as "5-17-56-G." Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. The parliamentary inquiry is this: Should the Williams amendment be agreed to, would the Aiken-Holland compromise amendment then be in order, or would the so-called Daniel amendment, dealing with the subject of feed grains, then be in order?

The PRESIDING OFFICER. The Chair is advised that if the Williams amendment were agreed to, an amendment offered by the Senator from Florida [Mr. HOLLAND], or any other Senator on the same subject matter could not be challenged on the ground of inconsistency with the action taken in agreeing to the Williams amendment. A point of order would not lie against such an amendment.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. On this question the yeas and nays have been ordered, all time has been used or yielded back, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SPARKMAN. On this vote I have a pair with the Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mr. HILL. On this vote I have a pair with the Senator from North Carolina [Mr. SCOTT]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from New York [Mr. LEHMAN]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from New York would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

On this vote, the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from Kansas [Mr. CARLSON] would vote "nay" and the Senator from Idaho [Mr. WELKER] would vote "yea."

The result was announced—yeas 39, nays 44, as follows:

YEAS—39		
Allott	Dirksen	Martin, Pa.
Barrett	Duff	Millikin
Beall	Dworshak	Pastore
Bender	Flanders	Payne
Bennett	Frear	Potter
Bricker	Goldwater	Purtell
Bridges	Green	Robertson
Bush	Ives	Russell
Butler	Jackson	Saltonstall
Byrd	Jenner	Smith, Maine
Capehart	Knowland	Smith, N. J.
Case, N. J.	Kuchel	Watkins
Cotton	Magnuson	Williams
NAYS—44		
Aiken	Hickenlooper	Monroney
Anderson	Holland	Mundt
Bible	Hruska	Murray
Case, S. Dak.	Humphrey	Neely
Chavez	Johnson, Tex.	Neuberger
Clements	Johnston, S. C.	O'Mahoney
Curtis	Kerr	Schoeppel
Daniel	Laird	Smathers
Douglas	Langer	Stennis
Eastland	Long	Symington
Ellender	Mansfield	Thye
Ervin	Martin, Iowa	Wiley
George	McCarthy	Woford
Hayden	McClellan	Young
Hennings	McNamara	

## NOT VOTING—12

Carlson	Kefauver	Morse
Fulbright	Kennedy	Scott
Gore	Lehman	Sparkman
Hill	Malone	Welker

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment offered by the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ELLENDER. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I send forward amendments and ask that they be stated. I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1, on page 4.

On page 8, beginning with line 4, strike out through line 5 on page 10.

On page 12, line 21, strike out "other feed grains, \$175,000,000."

On page 25, beginning with the comma in line 1, strike out to and including "1956" in line 4.

On page 51, beginning with line 19, strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

Mr. HOLLAND. Mr. President—

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield so that I

may request that the yeas and nays be ordered?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, at the proper time I shall suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, this amendment is offered on behalf of the Senator from Vermont [Mr. AIKEN] and myself. It has been generally discussed with all Senators with whom we have been able to discuss it this morning, because it represents a very serious and determined effort to bring together the thinking of the Members of the Senate on the important feed grain question on which it has just been demonstrated there is considerable division in the Senate.

Mr. President, the reason why there are several amendments incorporated into one is that it is necessary to make various places in the bill conform to the purposes of the amendment.

The purposes of the amendment, if I may outline them in three brief sentences, are these:

First, to fix a price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, at 76 percent of parity price for the commodities as of April 15, 1956.

To explain that provision, Mr. President, the intent is to put the small feed grain producers on a parity with the producers of corn, the noncomplying producers of corn, in the commercial corn area, who were granted a price support on April 15, 1956, so that there will be given by that provision of the amendment, as we believe, equality this year as between corn and small grains, so far as that can be done by legislation.

The second provision of the amendment is applicable to the corn produced in the noncommercial area. It follows the same philosophy as that expressed in the first provision which I have just mentioned.

The price support for noncomplying corn producers in the commercial area, when it was fixed, established a new principle which had not been effective theretofore. The amendment provides that noncomplying corn producers in the commercial area will be placed on the same basis as corn producers outside the commercial area. So, the second purpose of the amendment is to grant 82½ percent of the level of price supports for grain in the commercial corn-growing areas to the corn producers in the noncommercial area. That is about five-sixths of the support price.

Mr. KERR. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. KERR. I do not quite understand the explanation which the Senator has given with reference to corn in noncommercial corn States.

Mr. HOLLAND. Mr. President, I recognize that this is a very complex sub-

ject, and I shall do my best to explain it clearly. I ask that the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and other Senators who are quite familiar with the subject matter follow my explanation.

The present law provides for corn producers in the noncommercial areas a price support at 75 percent of the prevailing price support given to compliance corn in the commercial areas.

Mr. KERR. On the allotted acres?

Mr. HOLLAND. That is correct. The effort is to work out some kind of parity of treatment between corn in the noncommercial areas and the noncomplying corn producers in the commercial areas who never had a price support until it was recently announced by the Secretary of Agriculture.

Mr. KERR. Mr. President, will the Senator from Florida yield for another question?

Mr. HOLLAND. I yield.

Mr. KERR. Is the Senator saying that if his amendment is adopted all corn producers in the noncommercial areas will have a support price at the same level as that of the noncomplying corn producers in the commercial areas?

Mr. HOLLAND. They will have support at the level of about five-sixths of the support level for complying producers in the commercial areas, and that will amount to almost the same thing which the Senator has said.

Incidentally, we followed the same philosophy as that which was followed in fixing 76 percent in the first branch of the amendment which I have just mentioned, because there it was a matter of making the price supports for small grains as nearly as possible the same as were granted to the noncomplying corn producers in the commercial corn areas.

Mr. KERR. If I read the language correctly, it leaves a different impression with me. As I read it in paragraph (d), subparagraph (2), it provides:

(2) The level of price support for corn produced outside the commercial corn-producing area—

I take it, that is in States other than the corn-producing States.

Mr. HOLLAND. In counties not in the commercial areas.

Mr. KERR. I read further—  
for any crop for which base acreages are in effect.

Have there been base acreages in effect in the noncommercial corn-producing areas?

Mr. HOLLAND. The amendment represents an effort to give comparable treatment to noncommercial corn to that which is given small grains on which the price support is fixed at 76 percent of parity.

Mr. KERR. I understand that, but I am trying to get it clear as to whether if the producer of corn in the noncommercial areas is to receive the benefit of this amendment he must observe acreage limitations.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the answer to the question of the Senator from Oklahoma is that the producer would

not have to observe acreage limitations at all. The reference to the crop which is under acreage limitation is an effort to relate back to corn. Corn in the commercial areas will be under acreage limitations, but areas outside the commercial areas need not be under acreage limitations, under the language of the amendment.

Mr. KERR. In other words, the producer in the noncommercial areas would have acreage limitations but would receive approximately the same support level as would the corn producer in the commercial areas?

Mr. ANDERSON. That is correct. The corn producer outside the commercial area is not complying with acreage limitations, and the corn producer inside the commercial area is not complying. Therefore, they would receive the same support.

Mr. HOLLAND. One of the reasons for the provision is that another portion of the bill allows the corn producers in the commercial areas the right by referendum to vote whether to terminate acreage control. If acreage control is applicable in the commercial areas and noncompliance corn is supported, then the treatment, which we have discussed, is to be given corn in the noncommercial areas.

Of course, if there is no price support there, there is not going to be any corn price support anywhere.

Mr. KERR. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. KERR. Then, as has been stated by the Senator from New Mexico, the real effect with reference to support prices is to put the producer of corn in the noncommercial areas in the same position as the noncomplying corn producer in the commercial areas?

Mr. HOLLAND. As nearly as may be; and in doing that, we are following the precedent of the first part of the amendment with reference to treatment given to the producers of small grains.

Mr. KERR. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. My understanding is substantially the same as that stated by the Senator from Florida. Translating it into dollars and cents, my understanding is that the corn of noncompliers in the commercial areas would be supported at the \$1.25 national average. Applying the five-sixths formula to 86½ percent would mean that the corn producer would be supported this year, in noncommercial areas, at about \$1.24. So that makes the price substantially the same.

Mr. HOLLAND. It sounds like that arithmetically, but the way it would be applied, it would not exactly equal that. I confess that the experts on the Department staff would have to explain that. But it comes very close to the figure which the Senator from South Dakota has stated.

Mr. CASE of South Dakota. I think an amendment of this nature is needed to avoid chaos and confusion, particularly in States which have counties which are in a commercial corn area, and

counties which are not in a commercial corn area.

Mr. HOLLAND. The question of the Senator, as to whether the amendment relates to 1957 must be answered in the affirmative, but it also, I understand, applies to later years. This provision of the amendment is a permanent change in the law and will apply to later years.

Mr. CASE of South Dakota. But would it require in 1957, a producer of feed grain or corn in a noncommercial corn county to put some land into the soil bank?

Mr. HOLLAND. This particular amendment would not. I have said earlier that this particular amendment, if adopted, would eliminate the acreage reserve provisions of the soil bank in their application to small grains.

The amendment would leave effective to small grains the conservation reserve provisions.

A sizable number of Senators have worked out this amendment together, and we are fully persuaded that, in view of the scarcity of data, now available, and of the indicated attitude of the administration not to approve an additional 100 million acres of land under any control basis, the allowing of 2 years, at least—1956 and 1957—to work out a better program, with the other provisions, as described, is the very best that we can hope to obtain in this situation.

We have conferred not only with one another, not only with Senators who are strongly for higher price supports for small grains, as, for instance, the distinguished Senator from Texas [Mr. DANIEL], and others, but we have conferred with the Department of Agriculture experts and directly with the Secretary of Agriculture, in an effort to get any suggestions we could from him. We have tried to save as much as possible for the small-grain producers. We think that there is no indication whatever that a sound program can be worked out for acreage reserve participation by the small-grain producers in the first 2 years.

If the developments in 1956 are quicker than are anticipated, Congress can take additional action early in 1957. As I see it now, this is the best that can be done at this time to take care of the small-grain producers.

I do not have to call to the attention of the Senator from South Dakota the fact that the sponsors of this amendment opposed the amendment of the Senator from Delaware, which was just rejected, which would have entirely eliminated the possibility of giving any relief at all to the producers of small grains. We are trying to get for them everything we think it is reasonable for them to have, based upon the present data available and considering the present confused situation.

The fact that corn is divided artificially into two areas, a commercial area and a noncommercial area, and that that division does not adapt itself readily to any of the small grains, makes the problem a very complicated one to work out.

Mr. CASE of South Dakota. It is a very complicated problem, particularly in a State like mine, where a portion of the State has counties in the commercial corn areas, while immediately adja-

cent there are counties which are not. We have three classes for corn growers.

I think an amendment of this kind is necessary, regardless of how one stands on the question of high or low price supports. If there is to be a corn-support program, it is necessary to have an amendment such as this to preserve the relationship between corn grown on unallotted acres, unrestricted, and the small grains, which can be used as a substitute for corn as feed.

Mr. HOLLAND. I share that conviction, and so do the other Senators who have collaborated in this matter. We are glad to have our purpose so clearly stated and approved by the Senator from South Dakota.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the Senator from South Dakota [Mr. CASE] made a very good statement just now, when he said this is the sort of amendment which could be supported regardless of whether one favored high supports or flexible supports or rigid supports, because the amendment would provide an opportunity for the Department of Agriculture to keep careful track of the acreage allotted to oats, rye, barley, and grain sorghums for the growing years 1956 and 1957. That ought to provide sufficient information to allow these grains to come under the acreage reserve program by 1958.

Mr. CASE of South Dakota. I hope there will be a record vote on the amendment, because I think the votes of Senators on the previous amendment might be misunderstood.

The Senator from Florida will recall that prior to the other vote I reserved the right to object in order that the Senate might be assured that the amendment now pending would be offered, and there would be no alternative. I think the votes of some Senators on the other amendment might be misunderstood unless an opportunity were afforded to record their votes on this amendment.

Mr. HOLLAND. I think the Senator from South Dakota; I think he has made a good point which ought to be considered.

The third objective of the amendment is that if price support is made available for the 1957 crop of corn in the commercial corn-producing areas to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghum, barley, rye, oats, and corn produced outside the commercial corn-producing area respectively, at a level not less than 70 percent. The price shall never go to less than 70 percent, and it shall be fixed in the same way as 76 percent was fixed for this year, namely, by relating that price support to the price support which is given to the noncomplying corn in the commercial areas.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. I should like to add a word to what the Senator from Florida is saying. I was one who helped to prepare the amendment. I believe it will work no hardship on anyone, but will

be helpful to many feed grain producers in the country. In fact, I think it will leave the price of feed grains about where it is now on the open market, although I cannot be exactly sure of that. The price of feed should stay approximately where it is now. If it goes higher, it will not be because of the amendment, but because of market trends. The price seems to be at a fairly good level at present. If it can be maintained at nearly that level, I believe it will be helpful, and will assure the feed grain producers of America of a good price. Also, it will not be harmful to the livestock, dairy, and poultry producers.

Mr. HOLLAND. I appreciate the comment by the Senator from Vermont. I think every Senator has received telegrams from producers in the field of dairy products, in the field of livestock, and in the poultry field who are disturbed about the provisions in the bill, but not about this amendment, which I feel is moderate enough to give grave concern to none of them.

One purpose of the amendment, among others, is not to permit the small-grain producers to slide down, down, and down to deeper distress, but to give them fair treatment, as we see it, along with the corn producers.

Mr. AIKEN. The livestock and poultry producers were understandably disturbed about the provisions of the House bill which raised the supports much higher than the amendment which is now being offered by the Senator from Florida, and also perpetuated high feed-grain supports by tying them to the support price for commercial corn. The compromise offered is a considerable reduction from the supports which were required by the House bill.

Mr. HOLLAND. The Senator from Vermont is correct.

I now yield to the Senator from New Mexico, after which I shall yield to the Senator from North Dakota.

Mr. ANDERSON. The Senator from Vermont has not asked me to say this. I hope that if I misstate his position, he will correct me. There might be some persons who would wonder why the Senator from Vermont, on the last vote, voted "no" on the Williams amendment. I assume he voted "no" on that amendment because he knew that this perfecting amendment, which he was offering jointly with the Senator from Florida, would be called up next.

Under the circumstances, I think the Senator from Vermont acted very generously in trying to get these provisions before Congress, and those areas which produce feed grains are indebted to the able Senator from Vermont for taking the position which he did on the Williams amendment.

Mr. AIKEN. I thank the Senator from New Mexico.

Mr. President, I wish to say that the amendment now being offered by the Senator from Florida is as fair a proposition, both to the consumers and producers of grain, as we can work out. It is better to have it come about this way than in a one-sided manner, where one type of producer might make gains temporarily, but a year or two later might wake up and find he had lost a good share of his market.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. I think this amendment represents a fair compromise. I would have much preferred to have seen higher price supports provided for feed grains. I firmly believe that cheap feed grains are detrimental to the dairy industry, to the cattle industry, to the hog industry, and to the poultry industry. So I was strongly for the original provision in the bill which was vetoed by the President recently.

Under the provision in the original bill, there were 90 percent supports. The feed grain producers would have received 85 percent supports, which is 15 percent higher than they are getting now, which is 70 percent. In order to get that higher percentage, they would have had to put into the soil bank program 15 percent of the acreage they normally plant to feed grains. It would not have been easy for the feed grain producers to put that extra acreage into the soil bank, but I thought it would be worth while for them since they would get 15 percent higher supports.

Under the pending proposal feed grain producers will get 76 percent of parity for this year's crop which is 6 percent more than the scheduled 70 percent supports.

Mr. HOLLAND. That is for 1956.

Mr. YOUNG. For 1956. For 1957 they will get a minimum of 70 percent.

Under the House provision and the provision which it is now proposed to strike from the bill, feed grain producers would get 5 percent less than price supports for corn in the commercial area, if they put 15 percent of their acreage into the soil bank. So next year, if price supports for corn should be 80 percent of parity—and I think that is probably all they will be, with corn production increasing—feed grain producers would get only 75 percent of parity. But in order to get that 75 percent of parity, they would have to put 15 percent of their acreage into the soil bank program. That would mean additional regimentation and land measuring, and I do not think it would be worth while to get that little higher support price in return for the regimentation to which they would be subjected.

I think the compromise is the best we can get through Congress this year.

Mr. HOLLAND. Mr. President, I appreciate greatly the statement of the Senator from North Dakota, because if anybody has fought, clear up to the highest requirement of courage, to have adopted a conviction held by him that high price supports should be provided, he has done so. I want it to appear in the Record that I appreciate his statement, because I think it is in line with the fact that the pending proposal is a fair compromise.

Mr. KNOWLAND. Mr. President, will the Senator yield for a request that the yeas and nays be ordered.

Mr. HOLLAND. I yield.

Mr. DANIEL. Mr. President—

Mr. KNOWLAND. The request, if granted, will not foreclose the offering of a substitute, as I understand.

Mr. DANIEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator will state it.

Mr. DANIEL. Is the minority leader's interpretation correct that ordering the yeas and nays will not forego any amendment?

The PRESIDING OFFICER. The Chair is informed that is correct.

Mr. KNOWLAND. Mr. President, on the amendment of the Senator from Florida I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, I had agreed to yield to the senior Senator from North Dakota. May I ask the chairman of the committee to be prepared to grant me more time from the time on the bill, because I am approaching the end of my allotted time, or perhaps I may have time granted by the minority leader.

Mr. KNOWLAND. Mr. President, I shall yield 5 additional minutes to the Senator from the time on the bill, if he needs it.

Mr. HOLLAND. Mr. President, I now yield to the senior Senator from North Dakota.

Mr. LANGER. Will the Senator please state for the Record the difference between the House provision for price supports and the pending amendment?

Mr. HOLLAND. I have been working so hard to bring about a compromise affecting certain provisions of the Senate committee bill that I have probably forgotten the details of some of the original provisions in the House bill. I should prefer to have the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], answer that question, and I ask unanimous consent that I may yield to him.

Mr. ELLENDER. I shall give an answer to that question in a short while.

Mr. HOLLAND. The chairman of the committee has assured me that he can answer the question and will do so later in the debate. In our committee we made a great many changes in the provisions of the House bill. We have been discussing for a long time changes proposed to the bill as reported by the Senate committee. I would not care to try to state with complete accuracy the provisions of the House bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Georgia.

Mr. RUSSELL. Under the present support program as defined by the Secretary of Agriculture, corn in the commercial corn-producing area, where there is compliance, is supported at \$1.50 a bushel. If the farmer does not wish to comply, he can plant all he wishes, and the Secretary of Agriculture, for the first time, rewards noncompliance by supporting that corn at \$1.25, whereas farmers outside the commercial corn area have a support price of only \$1.12.

Mr. HOLLAND. Seventy-five percent of the prevailing price support in the commercial area.

Mr. RUSSELL. The Secretary not only rewards noncompliance in the his-

torically Republican farm Corn Belt States, where there have been reports of some disaffection, but he discriminates against producers in the noncommercial area by allowing them only \$1.12 a bushel.

Does the amendment perpetuate that injustice, or discontinue it, or deal with it?

Mr. HOLLAND. The amendment corrects the injustice.

In the second provision of the amendment, to be found at about the eighth line down, the distinguished Senator from Georgia will see that the level of price support for corn produced outside the commercial corn-producing area is fixed at 82½ percent of the level of price support for corn in the commercial corn-producing area, when there is compliance. Eighty-two and one-half percent is about five-sixths. One dollar and twenty-five cents is five-sixths of \$1.50. So it seeks to give equal treatment.

Mr. RUSSELL. That is for 1956. How about 1957?

Mr. HOLLAND. For 1957 the same provision is continued. It will be a permanent change in the law.

Mr. RUSSELL. This is the first time any Department of Agriculture or Secretary of Agriculture has sought to reward noncompliance with the laws enacted by the Congress. I am glad this amendment seeks to correct that injustice. Once the election to take place next November is behind us, I hope the Secretary of Agriculture will go back to the previous philosophy, and not reward noncompliance, but place all commodities on the same basis.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I was assured of additional time from the minority leader.

Mr. BRICKER. Mr. President, does the Senator from Florida need additional time on the bill?

Mr. HOLLAND. Yes.

Mr. BRICKER. Will 5 minutes suffice?

Mr. HOLLAND. That will be sufficient at this time.

Mr. BRICKER. I yield 5 additional minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 additional minutes.

Mr. SCHOEPEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SCHOEPEL. Regarding the amendment submitted by the Senator from Florida, I wish to say that, having been in the Chamber and having listened to the remarks of the distinguished Senator from North Dakota [Mr. YOUNG], I certainly concur in the position he has taken in reference to this amendment.

I desire to state to the distinguished Senator from Florida that, originally, in view of the situation which has existed in the sorghum grain areas and in some other areas in respect to the related grains, I had some misgivings about what the bill proposed.

I realize that this amendment provides certain equitable considerations

for the sorghum grain producing areas and the areas which were very badly disturbed about the situation which heretofore existed. I think the amendment constitutes a fair compromise and a fair approach to a solution of the problem.

I should like to have the Senator from Florida know that I hope the amendment will prevail, because—as the Senator from North Dakota has said—it will permit the farmers affected to get away from many of the unfortunate and unpleasant details involved in working out the situation. So I feel that the farmers could live with this amendment, and that they will be satisfied with it.

Mr. HOLLAND. I thank the distinguished Senator; and on behalf of the Senator from Vermont [Mr. AIKEN] and other Senators who sat in on the attempt to reach this compromise, as well as on behalf of myself, I accept the compliment he has given. We are grateful to the Senator from Kansas.

Mr. DANIEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. DANIEL. I also wish to compliment the Senator from Florida and the other Senators who have worked on this provision, although it is less than some of us feel should be adopted.

As a matter of fact, some Members of this body, including the junior Senator from Texas, have prepared an amendment to increase the support price with acreage limitations.

I should like to refer to the last part of the amendment submitted by the distinguished Senator from Florida. It seems that his amendment would provide that in the future the Secretary would support small grains on a comparable basis with corn, but the last part reads:

Taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price support programs, and such other factors as he deems pertinent.

As I understand, all that language, except the last eight words, is included in the provision of the present law concerning factors to be considered by the Secretary in figuring price supports. Is that correct?

Mr. HOLLAND. Yes, that is correct; in the existing law there are eight different factors, and all of them are represented in the smaller number stated in this amendment. However, the Senator from Texas is also correct in stating that the last eight words of the amendment, namely, "and such other factors as he deems pertinent," are not found in existing law.

Mr. DANIEL. It seems that those eight words, which are new to this type of legislation, would allow the Secretary to take into consideration factors not specified by the Congress. So those eight words might constitute very broad authority.

I wonder whether the Senator from Florida would have any objection to the elimination of those words, or whether

they play any important part in his amendment.

Mr. HOLLAND. So far as I am concerned, it seems to me that they do not play an important part; but on this point I yield to the Senator from New Mexico [Mr. ANDERSON], who is quite familiar with these provisions.

Mr. ANDERSON. Mr. President, I was going to suggest to the Senator from Florida that he strike them out, and that he add the word "and" in the third line above, preceding the words "the ability to dispose of stock," and so forth.

I think the Secretary of Agriculture has sufficient discretion as regards the other factors, and I do not believe he needs to take into consideration "and such other factors as he deems pertinent."

Mr. HOLLAND. Mr. President, I appreciate the expression on the part of the Senator from New Mexico.

I should also like to have the Senator from Vermont [Mr. AIKEN] express himself on the proposed deletion of the last eight words, which I think can be deleted without doing violence to the purpose of those of us who worked on the amendment.

The PRESIDING OFFICER (Mr. MONROE in the chair). The time of the Senator from Florida has expired.

Mr. BRICKER. Mr. President, I yield an additional 5 minutes to the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Ohio.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I had not considered this matter before. However, certainly the last eight words of the amendment are not the meat of the amendment; and it seems to me that undoubtedly the amendment would be fully effective if those words were omitted. I would have no great feeling about the matter either way.

Mr. HOLLAND. I thank the distinguished Senator from Vermont. That is my own feeling about it.

Mr. AIKEN. Certainly more responsibility would be put on the Congress, and less on the Secretary.

Mr. DANIEL. Yes. In view of that, I wonder whether the Senator from Florida would consider modifying his amendment by striking out the last eight words thereof.

Mr. HOLLAND. Mr. President, with the consent of the Senator from Vermont and the Senator from New Mexico, I am glad to modify my amendment by striking out the last eight words and by inserting a new word—the word "and"—between the words "therefor" and "the"; which are the first two words in the third line from the bottom of my amendment. I so modify my amendment.

The PRESIDING OFFICER. Inasmuch as the yeas and nays have been ordered on the question of agreeing to the amendment of the Senator from Florida, unanimous consent will be required in order to modify the amendment at this time.

Is there objection to the proposed modification of the amendment of the Senator from Florida?

Mr. HOLLAND. Mr. President, I hope there will be no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the amendment of the Senator from Florida is modified accordingly.

Mr. HOLLAND. Mr. President, I have outlined the meaning of the amendment as fully as I could. It is submitted in a sincere desire to bring together those who feel there should be no legislation in this field and those of us who feel that the producers of small grains are in a very distressed situation and that their situation should not be ignored at the time of passage of this bill.

The Senate has already gone on record by a very considerable vote in favor of giving more relief than this amendment would give these producers. The bill reported by the committee would give them more relief. But I believe this amendment is the most we can hope to get together on; and I say that after having discussed the matter with many Members of various points of view, as well as with those in the administrative branch of the Government.

Mr. AIKEN. Mr. President, will the Senator from Florida yield 1 minute to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. I think we must also take into consideration the fact that it has been reported by some Members of the House that if the modifications made to the bill by the Senate are not too far out of line with the thinking of the House, our amendments might be accepted by the House, rather than to have the bill go to conference, and thereby entail a long delay. I cannot conceive that any amendments or changes thus far made by the Senate in the bill would warrant any long delay in presenting the bill to the President and having it enacted into law.

Mr. HOLLAND. I thank the Senator for his contribution; and I join him in the sincere hope that the bill, as passed by the Senate, will be acceptable to the House, and will be enacted into law without the necessity of a conference.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I had to step off the floor for a moment, and I wish to be sure about two things: As the amendment is drawn, it will not require the producers of small grain to comply either with an allotment system or with the acreage reserve; is that correct?

Mr. HOLLAND. The Senator from Colorado is correct.

Mr. ALLOTT. I thank the Senator very much.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. DANIEL. Mr. President, I call up my amendment identified as "5-17-56-K"—

Mr. LANGER. Mr. President, will the Senator from Texas yield for a moment to me? The distinguished Senator from Louisiana [Mr. ELLENDER] promised to answer a question I asked a while ago.

I ask unanimous consent that he be allowed to answer that question at this time.

Mr. ELLENDER. I intended to say a few words in respect to the amendment of the distinguished Senator from Florida. Will the Senator from Texas withhold the offering of his amendment?

Mr. DANIEL. Yes. I yield to the chairman of the Committee on Agriculture and Forestry with the understanding that I may have the floor after he completes his discussion on his own time.

The PRESIDING OFFICER. Does the Senator from Louisiana control time against the amendment?

Mr. ELLENDER. Yes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. I yield myself 15 minutes.

As I have stated on the floor of the Senate on various occasions, I do not know of any subject which came before us that required more time and prompted more delay than the proposed legislation dealing with corn and the various small-grain crops. The committee worked hard and earnestly in order to place in the bill a provision which would be acceptable. I believe we succeeded in that by incorporating in the bill the language which now appears.

I am a realist. In the light of the recent vote upon the Williams amendment, I fear that the language which is now in the Senate bill will in all probability be deleted and the so-called Holland amendment substituted.

I point out to the Senate that the House bill provided mandatory supports for feed grains, which would include oats, barley, rye, and grain sorghum; but to qualify for such supports the farmer who produces small grains would have to plant only 85 percent of his base acreage.

Because the President, in his veto message, directed the Secretary of Agriculture, to support noncompliance corn in the commercial area, the committee felt justice required that similar treatment be accorded the producers of small grains. So, the Senate Committee on Agriculture and Forestry placed the small-grain grower in the same category, as nearly as possible, as the producers of corn in the commercial area who do not comply with base acreages. For 1956 they would be entitled to support at the same percentage of modernized parity as noncompliance corn, and would not be subject to acreage requirements. What we did for 1957 was simply to provide that in order for a producer of small grains to obtain price support, as fixed in this bill, it would be necessary for him to place in the soil bank an amount equal to 15 percent of his feed grain base acreage. This is the same treatment as is now accorded corn.

As Senators know, the bill would increase the total base acreage for corn from 43.3 million to 51 million acres; farmers in the commercial corn area can plant their entire base acreage, and obtain price support at 86.2 percent of parity, provided, of course, that they place the equivalent of 15 percent of their base acreage in the soil bank. Of course, they could participate in the acreage reserve, only if the Secretary of

Agriculture this year placed that program, in effect, for corn.

Since the corn grower is able to get price support at 86.8 percent of parity, or \$1.50 a bushel on production achieved on his entire base acreage, we felt that, in justice to the producers of small grains, they should have similar treatment, that we should, in a measure, relate their price-support program to that of corn. That is all the bill does. Since the corn growers, under the provisions of the bill as now presented to the Senate, can plant 100 percent of their corn base, and get the full 86.2 percent price support, provided they place the equivalent of 15 percent of their corn base in the soil bank, I felt, and the majority of the committee felt, that similar treatment should be accorded to the small-grain grower.

What do we have in the amendment which we are now considering? The amendment would strike out the provisions for a feed grain acreage reserve program; and would take away mandatory price supports for feed grains in 1957 unless support is made available for noncompliance corn. It would retain the price support of small feed grains at 76 percent of parity in 1956, which is the equivalent of the price-support accorded noncompliers in the commercial corn area. It would also retain in the bill the same price-support level for corn in the noncommercial area, as provided in the House bill, which is 82½ percent of the commercial corn level, but it would make it applicable to 1958 and 1959, as well as 1956 and 1957. Finally, it provides price support for feed grains and noncommercial area corn at not less than 70 percent of parity in 1957 if in that year corn producers not complying with their acreage limitations are given price support.

As I stated on several occasions when H. R. 12 was still before us, it is my considered judgment that we shall have less feed grain produced only if acreage is curtailed—if those who produce feed grains are required to place a certain percentage of their land in the soil bank. Under the committee amendment during 1957, those who produce small grains would be encouraged to restrict their plantings. The amendment now proposed would remove any incentive for acreage reduction in 1957.

Without acreage controls in 1957, the cost to the Government for these programs will be much more than if we said to the producer of the small grains, "In order to make yourself eligible for price support, you have to place in the soil bank the equivalent of 15 percent of your base acres."

We fix in the bill what the base acres would be, the average of the years 1953, 1954, and 1955.

As I recall the figures, this would mean an average planting of all the small grains of about 63 million or 64 million acres. When, in 1953 and 1954 the administration set price support for small grains at 85 percent of parity, the acreage was around 61 or 62 million acres.

Last year, the support price for small grains was cut back from 85 percent to 70 percent of parity. Under the theory of flexible price supports, one would con-

clude that the farmers would plant less acreage, since the price of the feed grains was reduced. I say the farmers do not seem to practice what Mr. Benson preaches; instead of reducing acreage, they increased their acreage by some 7 million acres.

What we are doing now is making the sky the limit for the planting of small grains all over the country.

With price supports in effect for producers of corn in the commercial area, whether they plant within their allotted acres or not, we are going to have so much feed grain produced that I predict there will not be enough storage facilities to take care of the vast amounts which will be placed under law.

Mr. President, as I have said, I am a realist. I know that since the Williams amendment was defeated by only 5 or 6 votes, the Holland amendment will probably be adopted.

However, let us remember that under the Holland amendment the producers of small grains will have no incentive to do other than plant all the acres they desire and still receive a support price of 76 percent in 1956 and possibly an even higher support level in 1957.

I would say that the House of Representatives is adamant in its desire to sustain the provisions now carried in the House bill.

**The PRESIDING OFFICER.** The Senator has 30 minutes available. He has yielded himself 15 minutes, which have now expired. Does he desire to yield himself additional time?

Mr. ELLENDER. I yield myself 5 additional minutes.

The adoption of the Holland amendment will place the whole question in conference, and we may end up with a conference provision that will permit excess planting.

Under the provisions of the House bill—which I prefer—for a grower of a grain to be able to get price support, he must plant only 85 percent of his base acreage. The Senate bill has changed that to 100 percent, provided the farmer places the equivalent of 15 percent of his base acreage in the soil bank.

Mr. President, I have attempted, as chairman of the committee, to explain both the House version and the Senate version of the feed grain provisions, so as to make the record clear why I believe that fewer acres will go into the soil bank under the Senate bill. The House provisions make it mandatory for at least 15 percent of a farmer's base acres to go into the soil bank, and further, that his total feed grain plantings not exceed 85 percent of his base acreage. Under the Senate bill he can plant 100 percent of his base acreage. Under the Holland amendment, the sky will be the limit as far as feed grain plantings are concerned. I predict that next fall or next spring someone will come to Congress and ask for more money with which to build warehouses in order to store the enormous amounts of grain that will be produced under the Holland amendment.

I am not trying to infer that Senators, in voting for the amendment, are motivated by selfish reasons. However, everyone knows that the poultry producers are very eager to have cheap feed

grain. The dairy producers are very eager, also, to have cheap feed. The dairy producers, particularly those who operate in the northeastern part of the country, are able to protect the prices of their milk under marketing agreements and orders. Of course, they want cheap feed; it means that much more profit to them.

If the Holland amendment is adopted, it—together with the Young amendment that was adopted a few minutes ago, dumping onto the market 100 million bushels of wheat—feed grains will be cheap, and those people will be the beneficiaries of a windfall, wheat that has cost the Government as much as \$2.50 a bushel will be sold at the price of other feed grains, or about \$1.50 a bushel.

That is what will happen, Mr. President. I have worked with the wheat-growers, and I want to help them. There is an International Wheat Agreement by which much wheat has been disposed of—I have supported that program. Here, there is another gadget which has been proposed by the administration, to make it possible to dump 100 million bushels of wheat on the market in competition with corn and other feed grains.

**The PRESIDING OFFICER (Mr. MONROEY in the chair).** The time of the Senator from Louisiana has expired. He has 10 minutes remaining which he can use.

Mr. DANIEL. Mr. President, I should like to call up an amendment for the purpose of offering it as a substitute for the Holland amendment as modified.

**The PRESIDING OFFICER.** The Chair will advise the Senator from Texas that all time has not been used in opposition to the amendment which is now pending. If the Senator from Louisiana will yield back his remaining 10 minutes—

Mr. ELLENDER. Mr. President, I yield back the remaining time at my disposal on the Holland amendment. Am I to understand that I will still have more time after the distinguished Senator from Texas offers his amendment?

**The PRESIDING OFFICER.** The Senator from Louisiana will have only the time allotted on the final passage of the bill.

Mr. ELLENDER. Will not the Senator from Texas have 30 minutes on his substitute amendment?

**The PRESIDING OFFICER.** That is correct.

Mr. ELLENDER. That is what I have in mind, Mr. President. I yield back the remaining time available to me.

**The PRESIDING OFFICER.** The Senator from Texas has been recognized.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may explain my amendment without its being read by the clerk.

**The PRESIDING OFFICER.** Is there objection to waiving the reading of the amendment offered by the Senator from Texas? The Chair hears none. Without objection, the amendments will be considered en bloc as a substitute for the pending amendment of the Senator from Florida, and the amendments of the Senator from Texas will be printed in the RECORD.

The amendments offered by Mr. DANIEL for himself and other Senators are as follows:

On page 3, beginning with line 24, strike out "other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats)."

On page 4, line 7, after the comma insert "and for the 1956, 1957, 1958, and 1959 crops of feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats (also herein-after referred to as 'the commodity'))."

On page 8, lines 4 and 5, strike out "each year in which an acreage reserve program will be in effect for corn" and insert in lieu thereof "each of the years 1956, 1957, 1958, and 1959."

On page 8, lines 14 and 15, strike out "1957 and subsequent years in which an acreage reserve program will be in effect for corn," and insert in lieu thereof "each of the years 1957, 1958, and 1959."

On page 51, lines 19 to 21, in lieu of the matter printed in linetype insert the following: "for each of the years 1956 and 1957."

On page 51, lines 21 to 23, strike out the matter printed in italic.

On page 52, strike out the matter printed in italic in lines 1 to 6.

On page 52, line 14, strike out the matter printed in italic.

On page 52, lines 15 and 16, strike out "corn produced outside the commercial corn-producing area."

On page 52, line 16, strike out "and oats" and insert in lieu thereof "oats, and the 1957 crop of corn produced outside the commercial corn-producing area."

On page 52, line 23, restore the matter printed in linetype.

On page 53, lines 6 to 16, in lieu of the matter printed in linetype, insert the following: "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats at 76 percent of the parity price for the commodity to any producer who meets the requirements of eligibility therefor where (A) such producer does not meet the additional requirements for price support prescribed by this subsection, or (B) there is no acreage reserve program in effect for such crop."

**The PRESIDING OFFICER.** The Senator from Texas is recognized for 30 minutes.

Mr. DANIEL. Mr. President, I shall not take anywhere near that much time. I merely wish to say to the Senate that my amendment would be more in line with the provisions written into the bill as it was passed by the House and sent to the Senate.

My amendment would establish a price support for grain sorghums, barley, oats, and rye at 5 percentage points less than for corn in the commercial corn-producing area during each of the years 1956 and 1957, for those farmers who place 15 percent of their base acreage into the soil bank.

In other words, Mr. President, the principal feature of this amendment is what has already been explained by the Senator from Louisiana, in that it would require 15 percent of the base acreage heretofore devoted to those grains to be placed in the soil bank program and, thereby, reduce the production of grain.

The amendment changes the committee bill by making the same provision applicable to both years instead of only to 1957, and by requiring an acreage reserve program for feed grains without

regard to whether one is made effective for corn.

In substance, the amendment would restore the House language with respect to feed grains except that during 1956 farmers who do not place 15 percent of their base acreage into the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year.

Mr. President, I, too, am a realist and understand from the vote taken on the Williams amendment that the attitude of the Senate, perhaps, is to vote for and to support the Holland amendment. I hope, however, that when the bill goes to conference, the conference committee will consider trying to work out a program affecting small grains which will be more nearly in accord with the House provisions; that is, similar to the amendment which I have offered in the nature of a substitute for the Holland amendment which would provide for an increased percentage of parity this year for farmers who reduce their base acreage 15 percent. If that is not possible, I trust provision will, at least, be made for a reduction of acreage next year and an increase in the percentage of parity, which will be an incentive for the grain farmers to reduce their acreage.

Mr. President, I agree with most of what the Senator from Louisiana has said concerning the merits of the Senate committee version, and, certainly, with what has been said in the House report concerning the merits of the small-grain provision contained in the House bill. I realize that the Senate will probably not adopt my substitute, but I am offering it on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR], in order that it may be in the record, so the conference committee may consider it, and in the hope that when the bill is finally passed the provision with reference to feed grains may be nearer to what the House has provided.

Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL] as a substitute for the amendment offered by the Senator from Florida [Mr. HOLLAND], as modified.

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Florida, as modified.

All time has been used or yielded back, and the yeas and nays have been ordered.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bennett	Byrd
Allott	Bible	Capohart
Anderson	Bricker	Case, N. J.
Barrett	Bridges	Case, S. Dak.
Beall	Bush	Chavez
Bender	Butler	Clements

Cotton	Jackson	Neely
Curtis	Jenner	Neuberger
Daniel	Johnson, Tex.	O'Mahoney
Dirksen	Johnston, S. C.	Pastore
Douglas	Kefauver	Payne
Duff	Kerr	Potter
Dworshak	Knowland	Purtell
Eastland	Kuchel	Robertson
Ellender	Laird	Russell
Ervin	Langer	Saltonstall
Flanders	Lehman	Schoeppel
Frear	Long	Smathers
George	Magnuson	Smith, Maine
Goldwater	Mansfield	Smith, N. J.
Green	Martin, Iowa	Sparkman
Hayden	Martin, Pa.	Stennis
Hennings	McCarthy	Symington
Hickenlooper	McClellan	Thye
Hill	McNamara	Watkins
Holland	Millikin	Wiley
Hruska	Monroney	Williams
Humphrey	Mundt	Wofford
Ives	Murray	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND] for himself and the Senator from Vermont [Mr. AIKEN]. The amendment will be stated by the clerk for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1 on page 4.

On page 8, beginning with line 4, it is proposed to strike out down to and including line 5 on page 10.

On page 12, line 21, it is proposed to strike out "other feed grains, \$175,000,000."

On page 25, beginning with the comma in line 1, it is proposed to strike out down to and including "1956" in line 4.

On page 51, beginning with line 19, it is proposed to strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Massachusetts [Mr. KENNEDY] would each vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from North Carolina [Mr. SCOTT].

If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

YEAS—73		
Aiken	Green	Murray
Allott	Hayden	Neely
Anderson	Hennings	Neuberger
Barrett	Hickenlooper	O'Mahoney
Bender	Hill	Pastore
Bennett	Holland	Payne
Bible	Hruska	Potter
Bricker	Ives	Purtell
Bridges	Jenner	Robertson
Bush	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capohart	Knowland	Schoeppel
Case, N. J.	Kuchel	Smathers
Case, S. Dak.	Laird	Smith, Maine
Cotton	Lehman	Smith, N. J.
Curtis	Long	Sparkman
Dirksen	Magnuson	Stennis
Douglas	Mansfield	Symington
Duff	Martin, Iowa	Thye
Dworshak	Martin, Pa.	Watkins
Eastland	McCarthy	Wiley
Ervin	McClellan	Wofford
Flanders	McNamara	Young
George	Millikin	
Goldwater	Mundt	
NAYS—14		
Beall	Ellender	Kerr
Butler	Frear	Langer
Chavez	Humphrey	Monroney
Clements	Jackson	Williams
Daniel	Johnson, Tex.	
NOT VOTING—8		
Carlson	Kennedy	Scott
Fulbright	Malone	Welker
Gore	Morse	

So the amendment offered by Mr. HOLLAND for himself and Mr. AIKEN was agreed to.

#### TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, which were to strike

out all after the enacting clause and insert:

*Repeal of certain provisions of law so as to permit continuance of operations; effect of rates*

SECTION 1. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes," approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

*Establishment of rates; system rate base; rate of return; services*

SEC. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of \$20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of \$1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If

the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

*Exemption from gross receipts tax; continued exemption from mileage and certain other taxes*

SEC. 3. (a) As of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: "Provided, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:"

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-603 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the

Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

*Motor vehicle fuel taxes*

SEC. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, ch. 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor-vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Co.'s system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor-vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor-vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor-vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor-vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor-vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying

any importer the motor-vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

#### *Snow removal*

Sec. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "Streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7-614), is hereby repealed.

#### *Conversion to bus operations*

Sec. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

#### *Evidences of indebtedness*

Sec. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

#### *Notification of acceptance by the Capital Transit Co.; effective date of the foregoing provisions*

Sec. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

And to amend the title so as to read: "A bill to make provisions for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BELL, and Mr. CASE of New Jersey conferees on the part of the Senate.

#### THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. McNAMARA. Mr. President, certain developments have plunged the District of Columbia transit situation into even greater gloom than it has been for

the past year. A conference committee now will have the task of compromising two diametrically opposed views.

The only conclusion I can reach is that the Capital Transit crowd is determined to create so much confusion that it will win back its disreputable franchise by default. One move in this direction was the timing of a so-called proposal by one part of the Capital Transit gang to buy out the other. The net result would be the same poor service to the customers.

I will not go so far as to say this offer was a phony. But I believe it was made with \$3 bills, and I do not have much faith in the value of \$3 bills. The people of Washington do not, either. All they want is a good transit system, and they will not get it under the Capital Transit gang, no matter what smokescreen is raised.

Mr. President, I ask unanimous consent that three editorials on the transit matter from the Washington Post and Times Herald be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 16, 1956]

#### ISSUE BEFORE THE HOUSE

Daniel W. Bell's letter to Chairman HARRIS, of the House Commerce Subcommittee, once more revives hope of continued private operation of Washington's transit system. As president of the American Security & Trust Co., Mr. Bell is a man of substantial influence in the community. His proposal that Capital Transit be reorganized, that the Wolfson stock be purchased by local interests at a reasonable price, that the company's franchise be restored, and that it continue to provide transit service under local private management will have a strong appeal to many groups. Much experience in recent months, however, has emphasized the vast gulf that separates hopes and plans from actual achievements in this sphere.

The unfortunate thing about Mr. Bell's plan is that it is so tardy and that it is vague on a number of essential questions such as the purchase price. Despairing of continued private operation of an acceptable transit system here, the Senate recently passed a bill to create a public transit authority. The House is scheduled to vote today on a measure to restore the Capital Transit franchise and set up a new regulatory system. It is obvious from his letter that Mr. Bell intended to bolster the flagging support for that bill or something similar to it. Yet Members of Congress cannot intelligently base their votes on a plan to which many directly interested groups are not yet committed.

On several occasions action on the public authority bill has been postponed by last-minute efforts to find a private operator. In each case the results were disappointing. As a result of this experience, the Senate modified its bill so as to create an interim public authority which would continue the search for a private operator while temporarily providing transit service after the expiration of the Capital Transit franchise in August. This bill has the great advantage of backing up the search for a private operator with authority for public operation if necessary. We cannot help thinking that the Bell plan is more compatible with the Senate bill than with the House bill coming up for action today.

The worst vice of the House bill is its tendency to undermine utility regulation in the

District. It would give Capital Transit a special standing before the Public Utilities Commission. It would freeze the rate base and the rate of return and enable the company to frustrate efforts of the PUC to control transit rates in the public interest. Regardless of who owns Capital Transit, Congress should not thus destroy effective transit regulation. In fairness, it could not do so without giving similar privileges to other utilities, thus heading back toward the grave abuses of 50 years ago.

Congress could reasonably relieve a reorganized transit company of the gross receipts tax, but other features of the existing House bill would not be acceptable to the Senate, the District Commissioners, or, in all probability, the White House. Consequently, passage of the bill in its present form would serve only to delay an ultimate solution. Even if a restoration bill were desirable and could be passed in acceptable form, the company could scarcely be reorganized in time to take over service by August 14. Several weeks will be required to finish legislative action, then 45 to 60 days would be required to get permission from the stockholders. No margin of time would be left to handle the many details that such transactions always involve.

In our opinion, the Bell proposal should encourage the House to abandon the so-called restoration bill and accept the measure already passed by the Senate. This would give an ample opportunity for Mr. Bell and his associates to work out the details of their plan and at the same time permit the proposed interim authority to provide transportation if necessary until a new private system is ready to operate.

[From the Washington Post and Times Herald of May 17, 1956]

#### THE WOLFSON BILL

As debate on the Capital Transit restoration bill began in the House yesterday, it became increasingly clear that the measure offers no solution of Washington's transit dilemma. The whole purpose of the bill is to keep Capital Transit in operation and to give it assurance of highly preferential treatment as a public utility. Undoubtedly the bill has gained strength since Daniel W. Bell, president of the American Security & Trust Co., advanced a plan to buy the Wolfson interest in the company. But the Bell plan has not disposed of the basic issues.

We begin with the assumption that the city would like to have a well-regulated but privately operated transit system freed from the control of Louis E. Wolfson. But we do not believe that the House bill would produce this result. In the first place, it is tailor-made for the continuation of the Wolfson management. Actually it is the transit company bill with some modifications. If a new private management is to take over, very different legislation should be passed.

In the second place, there is no real prospect that this legislation could become law. One effect of the bill would be to undercut utility regulation in the District. We do not believe for a moment that this would be acceptable to the Senate, the President, the people of the District, or for that matter, to the people of the country. Congressmen delude themselves if they think that they can vote to hamstring regulation in the District and not have that public disservice jump out at them in their own constituencies. From the national as well as the local point of view, this bill is so bad that it must not be enacted whether or not Mr. Wolfson remains in the picture.

If time were not of the essence, the House might begin afresh and write a new bill to encourage the Bell proposal. Unfortunately, however, further delay would plunge the Capital into another transportation crisis in August. Congress should not for a moment contemplate adjournment for the

political season without having settled this problem or having given the local authorities the power to do so.

One other factor must be carefully weighed. If Capital Transit should be continued as a going concern, the community would lose the notable advantage of starting afresh with an all-bus system. Private buyers would presumably find it necessary to take over all Capital Transit equipment along with its obligations—including the obligation to repave the streets when the streetcar rails are removed. The cost to the city that would result from continuation of the present system is estimated as high as \$17 million. Probably this is excessive, but the economic advantages of taking only that portion of Capital Transit equipment which would fit into a modernized system would certainly be substantial.

The city might be willing to forego these possible economies if there were at hand some practical means to assure the reorganization of Capital Transit and to avoid scuttling the regulatory system. But in the absence of some feasible plan for that purpose, the public interest points strongly in the direction of the Senate bill. Although that measure would set up an interim public authority, it would also be an invitation to private capital to take over the new system to be created by the authority. In our opinion, a group of Washington citizens could pick up from the interim authority with much better chances for success than if they absorbed all the liabilities of the existing transit company. Perhaps Mr. Bell, who we are sure has the community interest at heart, could revise his plans so as to make them conditional on the granting of a new franchise.

In any event, the approaching emergency must be met, and the only feasible means of meeting it seems to be enactment of the bill already passed by the Senate.

[From the Washington Post and Times Herald of May 18, 1956]  
POLES APART ON TRANSIT

Passage of the Capital Transit restoration bill by the House throws a heavy burden on the conference committee which will try to reconcile this backward-looking measure with the Senate bill for a public authority. Obviously no compromise between the two measures is possible in the ordinary sense of the word. You can't mix public and private operation in the same system. Yet some type of legislation will have to be forthcoming. Congress could not simply let these conflicting measures die because of the great difficulty of reconciling them.

Two courses appear open to the conferees. They could agree to the Senate bill with some modifications. This would be justified by the offensive nature of the bill passed by the House and by the 161-to-172 vote on the motion to send the bill back to committee. The strong vote for recommitment shows the repugnance felt by many Members of the House for an abject surrender to the Wolfson interests as contemplated in the measure that finally passed. In addition to restoring the Capital Transit franchise which Congress revoked for compelling reason last August, the bill would lift the company virtually out of the regulatory orbit of the Public Utilities Commission. The Senate bill, by contrast, would enable local officials to meet the coming emergency through an interim authority, which could be supplanted by a private operator if one could be found. It offers a workable plan for both the immediate need and the long-range future.

The alternative course would be to amend the House bill drastically so as to restore normal regulation of the transit system and permit a restoration of the franchise contingent upon reorganization of the company. This would be, of course, a bid for Daniel W.

Bell to go ahead with his plan under which local investors would buy out the Wolfson interests. The trouble with this alternative is that it would carry no assurance that the Bell plan would be pushed to fruition and accepted by the stockholders. If the conference committee should turn to this course, therefore, it should certainly make allowance for the District Commissioners to meet any emergency that might arise through failure of the reorganization plan.

This really points back to the interim authority of the Senate bill. How can a crisis for the city be avoided without some such agency to step into the breach while a new transit system is taking shape? Legislators on both sides of the controversy should be able to see this pressing aspect of the problem and to make certain that it is met in any compromise that may be effected.

#### AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ANDERSON. Mr. President, I call up my amendment, identified as "5-17-56-I."

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words " and the provisions of section 344."

On line 23, after the figure "1956", it is proposed to strike out the comma, insert a period, and to strike out the rest of the paragraph.

Mr. ANDERSON. Mr. President, I yield myself 5 minutes.

I yield to the junior Senator from Mississippi [Mr. STENNIS] such time as he may desire.

Mr. STENNIS. Mr. President, I appreciate the Senator's yielding to me. I asked him to yield for the purpose of offering a substitute to his amendment. The Senator from New Mexico offered an amendment striking out—

The PRESIDING OFFICER. Is there objection to the offering by the Senator from Mississippi of a substitute for the amendment offered by the Senator from New Mexico? The Chair hears none.

Mr. STENNIS. The Senator from New Mexico offered an amendment with reference to certain features of cotton acreage. For myself and on behalf of my colleague [Mr. EASTLAND], I offer as a substitute for his amendment an amendment which will not change the history of cotton acreage of any State. It will not take from any State any acreage in either of the years 1957 or 1958, to which these amendments both apply. It merely provides that the cotton acreage reduction within any State shall not exceed 1 percent for either the year 1957 or 1958. There will be certain reductions that will apply—

The PRESIDING OFFICER. The Chair will ask the Senator from Mississippi if the amendment has been stated.

Mr. STENNIS. It has not been read. I ask that it be read, Mr. President.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Mississippi, which has been offered for himself and the senior Senator from Mississippi [Mr. EASTLAND] as a substitute for the amendment of the Senator from New Mexico.

The LEGISLATIVE CLERK. It is proposed to strike out the matter printed in italics in lines 19 and 20, page 42; and in lieu of the matter printed in italics in lines 23 and 24 on page 42, and lines 1 and 2 on page 43, insert the following:

*Provided*, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 percent, such State allotment shall be increased so that the reduction shall not exceed 1 percent per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments.

Mr. STENNIS. Mr. President, continuing, very briefly, with the explanation, I wish to say the only effect of the amendment is to provide that in the application of the distribution of the national acreage to each State for the years 1957 and 1958, no State shall lose over 1 percent of its State acreage. That means there will necessarily be some small increase in the total amount of acres, nationally. But for the 2 years added together, in round numbers it will not be over 1 percent of the national acreage, which was the 1 percent discussed and more or less agreed on this year in the course of the debate on the preceding farm bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. How many acres will be involved over this period, in the 1 percent?

Mr. STENNIS. In round numbers, 175,000 each year, or 350,000 for the 2 years. But when the amounts for the 2 years are added together, by no means will the amount exceed 1 percent for each year.

Mr. JOHNSON of Texas. I thank the Senator from Mississippi.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. The figure the Senator from Mississippi used was 175,000 acres. Actually, some of that acreage is acreage these States would normally gain.

Mr. STENNIS. Yes.

Mr. ANDERSON. The net amount of acreage which might be added is approximately 100,000 the first year and possibly 50,000 or 70,000 the second year.

Mr. STENNIS. That is correct.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi permit me to assure the Senate that the States of Texas, Arizona, California, and New Mexico would not lose any of the acreage they normally would gain or earn under the present law.

Mr. STENNIS. The Senator from New Mexico has correctly stated the situation, and that is clearly the language of the amendment, namely, those States would not lose any of the acreage they would normally gain under present law.

Mr. ANDERSON. And the second aspect is that certain other States would

not be cut more than 1 percent; but the difference between what they are to be cut and what they would have been cut without the amendment would not be used in establishing history.

Mr. STENNIS. That is correct; no history would be affected by adoption of this amendment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I have talked over this matter with the Senator from Mississippi, the Senator from New Mexico, and some of the other Senators who are interested in it. In the committee, I submitted an amendment calling for a freeze of acreage in 1956, 1957, and 1958. At this time I am ready to agree to the amendment offered by the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from South Carolina, and I thank him for his work on this very important subject matter.

I also thank the Senator from New Mexico for his attitude toward this substitute amendment.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. When the Senator has used up the time available to him, I shall be glad to yield back the remainder of the time available to me, if either the majority leader or the minority leader—whichever one has control of

the time—is willing to yield back the remainder of the time under his control.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

Mr. BIBLE. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. BIBLE. As the Senator from Mississippi knows, the State of Nevada has been vitally interested in the apportionment of 1,000 additional acres for cotton in the State of Nevada. Is there anything in the amendment which in any way would affect that particular apportionment?

Mr. STENNIS. No; this amendment would not affect the situation in Nevada in reference to its acreage.

Mr. BIBLE. I thank the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am ready to yield back the remainder of my time, if the remainder of the time under the control of the other side is also yielded back.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. I ask unanimous consent to have printed at this point in the body of the RECORD, a table showing the effect of this amendment, so there may be no misunderstanding as to how it will work out.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated acres gained or lost in 1957 resulting from the proposed acreage amendments by States

State	Estimated cotton acres saved by holding national allotment at 1956 level for 1957	Estimated acres saved by holding State acreage at 1956 level for 1957	Acres gained or lost resulting from freeze of State allotment compared with floor under national allotment	Acres gained or lost resulting from amendment that no State lost more than 1 percent in 1957 compared with 1956 allotment	Acres gained in 1957 by operation of 1 percent amendment compared with 1956 allotment (17,391,304 acres)	Percent change in acreage allotment in 1957 retaining 1956 national acreage allotment
Alabama	88,613	+119,638	+31,025	-10,251	20,774	-3.03
Arkansas	124,420	+153,099	+28,679	-14,245	14,434	+5.11
Arizona	32,195	+14,645	-17,550	+17,550	None	-2.01
California	72,152	+45,111	-27,041	+27,041	None	+3.46
Florida	3,338	+2,863	-475	-475	None	-1.23
Georgia	78,814	+97,852	+19,038	-9,032	10,006	-2.11
Illinois					None	
Kansas					None	
Kentucky	670	+958	+288	-78	210	-3.69
Louisiana	53,181	+67,456	+14,275	-6,109	8,166	-2.34
Maryland						
Mississippi	142,745	+187,891	+45,146	-16,466	28,680	-2.74
Missouri	33,389	+36,863	+3,474	-3,474	None	-.92
Nevada						
New Mexico	16,380	+12,005	-4,375	+4,375	None	+2.44
North Carolina	41,898	+55,780	+13,882	-4,839	9,043	-2.87
Oklahoma	73,923	+90,219	+16,296	-8,456	17,840	-1.93
South Carolina	63,559	+76,709	+13,150	-7,262	5,888	-1.81
Tennessee	49,995	+52,605	+2,610	-2,610	None	-.46
Texas	672,985	+533,898	-139,117	+139,117	None	+1.88
Virginia	1,463	+2,158	+695	-171	524	-4.06

<sup>1</sup> 21,000 acres in 1958.  
<sup>2</sup> 36,251 acres in 1958.

NOTE.—Estimates based on 10,000,000 bale marketing quota for 1957.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the substitute offered by the Senator from Mississippi [Mr. STENNIS] for himself and his colleague [Mr. EASTLAND] to the amendment of the Senator from New Mexico [Mr. ANDERSON]. [Putting the question.]

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from New Mexico, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SMITH of New Jersey. Mr. President, I am submitting three amendments at the request of the State Department and the administration.

The PRESIDING OFFICER. Does the Senator from New Jersey wish to have his amendments stated?

Mr. SMITH of New Jersey. Mr. President, the first amendment I call up is identified as "5-15-56-F."

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4, on page 34.

Mr. SMITH of New Jersey. Mr. President, I yield myself not to exceed 10 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. President, this amendment would strike from the bill the so-called Eastland amendment. Inasmuch as I am a member of the Foreign Relations Committee, I have been requested by the State Department to present the position of the State Department on the Eastland amendment, from the standpoint of possible international complications.

To clarify the matter, I desire to read to the Senate the position of the State Department, as evidenced by a memorandum sent by the Secretary of State to the President, at the White House, and approved by the President. The subject of the memorandum is "Section 203 of H. R. 10875."

The memorandum reads as follows:

This section, if enacted into law, could seriously injure the economies of Mexico, Brazil, Turkey, Pakistan, Peru, Egypt, and other countries, and hence would jeopardize our relations with them.

Section 203 would require the sale of upland cotton in world markets at prices no higher than those offered by other exporting countries for comparable quality. In no event could prices be higher than they had been under the 1-million bale program completed earlier this year.

The stated objective is to regain a fair share of the world cotton market. The result, however, would almost surely be a progressive and severe decline in world prices for cotton. Other exporting countries are unable to hold stocks. They would be obliged to dispose of their current production at almost any price. The United States would be required by law to follow prices downward.

The U. S. S. R. exports only a small amount of cotton which ordinarily does not affect world market prices. Section 203, however, would create a situation in which the U. S. S. R. could determine the world price. Small lots of Russian cotton sold at price reductions in Liverpool, for example, could force the United States to meet the Russian prices.

Mr. President, I may add parenthetically that recently Russia has acquired a great deal more cotton from Egypt

through barter for arms supplied to Egypt. The memorandum continues:

Other countries perforce would have to follow the United States lead. Thus the cotton-exporting countries of the free world would be at the mercy of the Communists. Their resentment, however, with considerable logic, could be directed toward the United States policy of meeting every reduction in price, as specified in the proposed bill.

Any attempt by other countries to escape the downward spiral by resorting to bilateral agreements, conducted without regard to market prices, would set back our hopes for a multilateral trading system—the only system which offers increasing opportunities for private trade and the exporting of a wide range of United States products.

This section would make the prices under the 1-million bale program a ceiling, even though substantial quantities of United States cotton are already being sold for export on a bid basis at considerably higher prices under the present program. Some 224,000 bales have been sold on bids received last week at prices several cents per pound higher than the ceiling which this section would arbitrarily impose.

In view of the circumstances I have outlined above, the Department of State has no other recourse than to protest vigorously against section 203.

I submit the memorandum as a statement from the Department of State, from the standpoint of our foreign policy.

My amendment would strike out section 203 on page 33 of the bill, from line 4 down through line 4 on page 34. This provision is known as the Eastland amendment.

On this question I have been requested to ask for the yeas and nays. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested.

Mr. KNOWLAND. Mr. President, I withdraw the suggestion of the absence of a quorum, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Has the Senator from New Jersey completed his statement?

Mr. SMITH of New Jersey. I have completed my statement on this matter. I am glad to present it as the position of the administration, which I have checked carefully with the White House and the Secretary of State.

Mr. ELLENDER. Mr. President, this amendment would strike out section 203 of the bill, which provides for an export sales program for cotton and requires the Secretary to sell sufficient cotton at world prices to restore the United States historical share of the world cotton market. For the marketing year beginning this August this section would require cotton to be offered at prices not in excess of the minimum prices for which cotton was sold under the export program announced August 12, 1955. The minimum sale price under the program, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents a pound.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from page 7 of the report of the committee.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Export sales program for upland cotton (sec. 203): This section directs Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to offer its cotton for sale at prices not in excess of prices at which other exporting countries are offering comparable qualities of cotton. It further provides that during the marketing year beginning August 1, 1956, Commodity Credit Corporation shall offer cotton for sale for export at prices not in excess of the minimum prices accepted under the special cotton-export program announced on August 12, 1955. The special cotton-export program provided for the sale of not more than 1 million bales of cotton having a staple length of fifteen-sixteenths of an inch and shorter. The first offers were opened on January 3, 1956, and the sale of the 1 million bales was completed with offers opened on February 28, 1956. The minimum sale price, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents per pound. Minimum acceptable prices for other qualities were also determined on a port basis and by using the premiums and discounts prevailing in the 14 designated spot markets, as follows:

Offers opened January 3: August 1955 through November 1955.

Offers opened January 10, 17, 24, and 31: August 1955 through December 1955.

Offers opened February 7, 14, 21, and 28: August 1955 through January 1956.

Mr. ELLENDER. Mr. President, section 203, under the heading "Export sales program for cotton," was offered in the committee by the distinguished Senator from Mississippi [Mr. EASTLAND]. I now yield him 10 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. EASTLAND. Mr. President, I have listened with amazement to the brief filed by the State Department. I have always known that it was an agency whose purpose it was to give away our country. The statement it has filed today is conclusive proof.

The State Department begins by saying that this provision would cause a price war and would result in a drastic decline in world cotton prices. That is the first point that is raised.

Recently, in a conference with the Secretary of Agriculture, at which a number of Senators were present, the Secretary of Agriculture stated that his limited one-million-bale export program, similar to the program proposed in the bill, and which was in force in January and February, had actually stabilized world cotton prices. Anyone who knows anything about merchandising must be aware that the one way to prevent a price war is to tell foreign cotton producers, "We are going to meet your price." We started the 1-million-bale program the first of January, and the facts show that at its completion cotton prices were higher than they were when we started the program.

The statement is made that Russia could ship a limited amount of cotton into the export market, that the United States would be bound to follow a small

downward sale, and that Russia could therefore undermine the economies of friendly countries.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator from Mississippi would be willing to agree to a slight modification in the language of section 203, to take care of the criticism which has been made. I personally feel that there may be something to the suggestion of the State Department. I read from page 33, line 10: "to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries."

If we were to add two qualifying phrases, I think we could dispose of the State Department's criticism with reference to the Russian situation. I wonder if the Senator from Mississippi would be willing to add, at the end of line 10, the words "level of", and in line 12 on page 33, after the word "offered" to insert the words "in substantial quantities."

With those changes, I think the provision would be satisfactory. It would encourage the export of cotton by offering to make the cotton available at prices not in excess of the level of prices at which cotton of comparable qualities is being offered by other exporting countries—not isolated prices, but the general level of prices.

Mr. EASTLAND. That was the intention all along, and that is stated in the declaration of intent filed in support of the provision.

Mr. ANDERSON. If the words "in substantial quantities" were added, a small item or a piecemeal bid could not upset the entire transaction.

Mr. EASTLAND. That is correct.

Mr. ANDERSON. I have an amendment which I had intended to propose later. If the Senator from Mississippi will agree to the amendment which I have suggested, that will obviate the necessity of my offering my amendment.

Mr. SMITH of New Jersey. Mr. President, what was the second change suggested?

Mr. ANDERSON. On page 33, line 12, after the word "offered", to insert the words "in substantial quantities."

Mr. President, inasmuch as the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], what I have in mind may not be in order. However, I ask unanimous consent that section 203 on page 33 may be amended as I have suggested.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Am I to understand that unanimous consent has been given to amend certain language in the bill in accordance with the suggestions made by the Senator from New Mexico?

Mr. ANDERSON. The Senator is correct.

Mr. AIKEN. Was unanimous consent given?

Mr. ANDERSON. Yes; unanimous consent was given.

Mr. President, the third and last suggestion I have is this: The Commodity Credit Corporation ought not to be compelled to accept bids in excess of these prices unless they have accepted all the bids at lower prices.

I should like to suggest an amendment on page 33, line 19, after the numerals "1955", to insert the following:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

In other words, I do not want the Commodity Credit Corporation to be favoring anyone. At one time we had a rather extensive experience in the handling of cotton. We have not moved as much of it since as we moved at that time, but we moved more than 7½ million bales of surplus cotton in about 14 months. We had the services of a competent group of cotton exporting firms, and they had to follow a practice such as is outlined here.

I submit this language to the Senator from Mississippi and ask him if he sees any objection to it.

Mr. EASTLAND. I am familiar with the language, and it is acceptable to me.

Mr. ANDERSON. Mr. President, I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], the language on page 33, line 19, may be amended in the manner I have suggested.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—may we have the full language read by the clerk?

Mr. ANDERSON. Probably I have been proceeding out of order.

Mr. KNOWLAND. No. I think this procedure is entirely in order, but in order that the Senate may be fully informed as to the amendment, I ask that the language, as amended, be read.

The PRESIDING OFFICER. The clerk will read the language as amended.

The CHIEF CLERK. On page 33, line 19, after the figures "1955", it is proposed to insert a new sentence, as follows:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

Mr. ANDERSON. I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], the language of the original bill may be amended to include the language just read by the clerk.

The PRESIDING OFFICER. Without objection, the amendment to the bill, offered by the Senator from New Mexico, is agreed to.

Mr. EASTLAND. Mr. President, that language meets every objection that has been leveled at this provision. The charge has been made that the bill places a ceiling on the price at which cotton can be sold. That criticism is eliminated

by the amendment. I should like to call attention to the fact that under the million-bale program there was fixed a price of 25½ cents a pound. Nevertheless, a great part of that cotton moved at 28.2 cents a pound. Last week, under the 27-cent floor a great deal of cotton moved at 29.23 cents a pound.

The reason for that is that American cotton is the only farm product which is not priced competitively by the Commodity Credit Corporation.

There is no reason in the world why that situation should exist, and why a great segment of our agricultural production should not be priced at competitive prices.

There are 4 or 5 international cotton houses, with millions of dollars invested in Latin America, and I am ashamed to say that they have entirely too much influence with our State Department. Their whole purpose is to protect their investments.

I do not believe it is too much to ask that the American cotton farmer be permitted to sell on a competitive basis. I do not believe it is too much to ask that the Commodity Credit Corporation's stocks be priced competitively so as to enable us to retain a fair share of our export business.

The bill provides that only enough cotton shall be sold to reestablish the historic share of the American export cotton market for the American farmer in an amount to be determined by the Secretary of Agriculture.

The Secretary of Agriculture has already determined, in his press conference, when he announced the program, that 5 million bales of cotton is our historic share of the market.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ANDERSON. I wish to say that there will naturally be a good deal of criticism of the Secretary of Agriculture if he does not move the cotton. I am firmly persuaded that Secretary Benson—and I am perfectly willing to put this on any record—desires to move the surplus cotton. I have participated in at least two conferences with him on this subject, and I believe that Secretary Benson, given a reasonable chance to do so, will be able to move the cotton.

I say very frankly that the reason why a former Secretary of Agriculture was able to move cotton very quickly was that he had the advantage of a war trading act, which permitted competitive prices in the world market. There was no great genius involved in it. He merely had the advantage of being permitted to sell the cotton.

The language we are considering now would instruct the Secretary of Agriculture to move the cotton on a competitive basis.

Secretary Benson made the announcement that he thought he could move 5 million bales. I, for one, am very anxious to permit him to move the 5 million bales. If he does not move them, perhaps I shall feel free to criticize him. In the meantime, although I am on the opposite side of the political fence from him, I do not intend to criticize him for

not moving cotton when his hands are firmly tied under the law.

He was up against a good deal of opposition on the 1 million bale experimental program. He moved those million bales satisfactorily, and he did it without disturbing the world market. I think that fact ought to be put in the RECORD.

Now he has asked for permission to move 5 million bales of cotton, and I believe he ought to be given the chance to move them.

I have tried to clarify the language a little, so that the law will make it a little easier for the Secretary of Agriculture to do it. I believe the Secretary of Agriculture is entitled to have that opportunity. It is hardly just to criticize the Department of Agriculture for accumulating agricultural products when it cannot move them. When I was in the Department, I was subjected to page after page of criticism for not moving potatoes, when the law would not allow me to do so. From that day on, I have been very sympathetic with anyone in that job who is asked to move a product when he cannot do so under the law. I believe the language we are proposing will permit the Secretary to move the cotton. Certainly I am in favor of giving him a chance to try to do so.

Mr. EASTLAND. I thank the distinguished Senator from New Mexico [Mr. ANDERSON]. He made a very great record as Secretary of Agriculture. I believe that Secretary Benson is anxious to move these surpluses, but I believe he is stymied by the State Department.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. I am asking the Senator from Mississippi to yield because the matter under discussion—

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from Mississippi.

Mr. AIKEN. Mr. President, I am asking the Senator to yield because I wish to make my own position clear on this subject, and I wish to have it plainly understood that my position is not that of the State Department or of the Department of Agriculture or of the administration. I could not have supported the provision now in the bill, which was put in at the suggestion of the Senator from Mississippi. With the amendments suggested by the Senator from New Mexico [Mr. ANDERSON], I understand that the wording now does not require the Secretary to sell cotton in the foreign market at any price which may be offered, but only to compete with those areas of the world which offer cotton in substantial quantities, as determined by the Secretary of Agriculture.

Those quantities may be 50,000 bales or 100,000 bales, or a million bales; however, in no case would they be likely to be 20 bales or 50 bales. Is that correct?

Mr. EASTLAND. Substantial quantities.

Mr. AIKEN. They must be substantial quantities.

Mr. EASTLAND. That is correct.

Mr. AIKEN. I understand that the language in the bill as it now reads pro-

vides that the Secretary may accept all the bids he can get above the maximum level which has been set, so long as he accepts all the maximum bids. In other words, if the maximum is set at 25.5 cents he may accept bids at 28.5 cents, provided he accepts all such bids. Is that correct?

Mr. EASTLAND. Yes; and he has been doing that.

Mr. AIKEN. As I understand, too, he is not required to compete in the market with the lowest price which may be offered by producers in any foreign country, but he is required to compete with the general level of the prices in the world market. Is that correct?

Mr. EASTLAND. Of course, if there is an isolated sale of a small amount of cotton, that would not set the market. The bill provides "at prices not in excess of the level of prices at which cottons of comparable qualities are being offered in substantial quantities by other exporting countries."

Mr. AIKEN. I also understand the Secretary is directed to recover only the Nation's traditional share of the world market, and that the Secretary will determine what that is, whether it be 4½ million or 5 million bales.

Mr. EASTLAND. He has already determined that.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the legislative intent of section 203 of House bill 10875.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF LEGISLATIVE INTENT OF SECTION 203 OF H. R. 10875

Section 203 contains three general intents. For this reason, this explanation of legislative intent is divided into three parts.

1. The first part directs the Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries.

With respect to this first part, it is the intent that the Commodity Credit Corporation shall make cotton available at the level of prices at which cottons comparable to those produced in the United States are being offered by other exporting countries in substantial quantities.

The Commodity Credit Corporation, in making cotton available at competitive prices, could provide either for the sale of CCC cotton for export at competitive world prices or for a cash export subsidy on United States cotton sufficient to make it competitive in world markets.

It is also the intent of this part that the Commodity Credit Corporation shall make cotton available at competitive prices immediately upon enactment of this act, but that it shall be discretionary with the Secretary of Agriculture to withhold actual deliveries of CCC cotton until August 1, 1956.

2. The second part provides that during the marketing year beginning August 1, 1956, the Commodity Credit Corporation is further directed to encourage the export of cotton by offering to make cotton available at

prices not in excess of the minimum prices at which cottons of comparable qualities were sold under the special cotton export program announced on August 12, 1955.

With respect to this second part, it is the intent that under any Commodity Credit Corporation sales program during this period the Commodity Credit Corporation shall accept bids, if such bids are the highest received for any particular lot of cotton, which are equal to or above the minimum sales price of 25½ cents per pound, basis Middling fifteen-sixteenths of an inch at ports, as established by the Commodity Credit Corporation under the special cotton export program announced on August 12, 1955, and completed on March 2, 1956.

Under any Commodity Credit Corporation program for the sale of CCC cotton for export at competitive world prices during the marketing year beginning August 1, 1956, it is also the intent of this second part that the Commodity Credit Corporation is directed to accept all bids at prices ranging down to the previous "floor" price of 25½ cents. It is not intended, however, that the Commodity Credit Corporation should not make cotton available at lower prices if it is necessary to meet competition. Neither does it preclude the Commodity Credit Corporation from accepting the higher of several bids for the same particular lot of cotton above the "floor" price of 25½ cents.

Under any Commodity Credit Corporation program for the payment of a cash export subsidy on cotton exported during the marketing year beginning August 1, 1956, it is also the intent that the amount of such subsidy shall be not less than the spread between 25 cents (minimum sales price at port of 25½ cents minus one-half cent allowance for average cost of transportation from interior origin points to port) per pound and the average price of Middling White fifteen-sixteenths inch cotton on the 14 designated spot cotton markets.

This section provides that for the marketing year beginning August 1, 1956, cottons of qualities other than those sold under the special CCC cotton export program announced August 12, 1955, shall be made available for export at the minimum prices at which cottons were sold under such program with appropriate adjustments for differences in quality.

3. The third part provides that such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

With respect to this third part, it is the intent that the Secretary of Agriculture will take whatever steps are necessary to reestablish and maintain our fair historical share of the world market for United States cotton. The Secretary in statements to the press has indicated what our fair share of the world market should be, and it is the intent that the Secretary of Agriculture should utilize all his powers to achieve such a goal as rapidly as possible and in an orderly manner. This goal, however, should be increased proportionately as world consumption of cotton increases.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. YOUNG. For years we have had an International Wheat Agreement which permits United States wheat to meet world competition. Also wheat is sold outside the wheat agreement by our Government on a competitive basis. If it were not for that agreement, we would probably be in a price war at this time, and the wheat producers would have lost the world market completely. I think cotton farmers will be in the same situ-

ation, unless there is included some such provision as that which the Senator from Mississippi has suggested. We teach farmers in foreign countries how to raise cotton; we furnish them with machinery with which to do it. How can the American cotton farmers compete in such a situation?

Mr. EASTLAND. I thank the Senator from North Dakota.

Mr. HOLLAND. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. I completely support the position taken by the distinguished Senator from Mississippi, and I think it is in line with reason.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. Mr. President, I yield 2 more minutes to the Senator from Mississippi.

Mr. HOLLAND. If this country ever comes to the point where, as the owner of vast supplies of surplus agricultural property it is not willing to try to regain lost portions of our world trade at prices commensurate with and competitive with those received by other nations, we shall be a spineless, jellyfish sort of an entity instead of a progressive, aggressive, democratic Nation. I think anyone who finds fault with the program suggested by the Senator from Mississippi has not familiarized himself with what his amendment contains.

Mr. EASTLAND. Mr. President, I thank the Senator from Florida for his able and appropriate remarks.

I yield back the remainder of my time.

SEVERAL SENATORS. Vote! Vote!

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time to be taken out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that further proceedings under the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. Mr. President, in view—

The PRESIDING OFFICER. Does some Senator yield time to the Senator from Minnesota?

Mr. KNOWLAND. I yield the Senator 1 minute.

The PRESIDING OFFICER. On the bill?

Mr. KNOWLAND. On the bill.

Mr. THYE. Mr. President, in view of the compromise that was worked out on the pending amendment, I ask unanimous consent that the order for the yeas and nays be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, may I inquire why the Senator from Minnesota is making his request?

Mr. THYE. Because a compromise was reached, and I cannot see the necessity of taking up the time with a yeas-and-nays vote, because it is apparent that the objection to the amendment has been removed. I would have supported the

amendment, but in view of the fact that a compromise has been reached which seems agreeable, at least to a vast majority of us, I concluded to ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. SMITH of New Jersey. Mr. President, I admit my lack of detailed knowledge of the ways and means of agriculture, and the prices of various agricultural products, and I acknowledge embarrassment that the Senator from Minnesota should ask that the order for the yeas and nays be rescinded, because I have been requested to have the yeas and nays taken. The administration feels quite strongly about the particular section involved, and I reserve the right to object, so as to have an opportunity to hear further comment on the matter.

The PRESIDING OFFICER. The Senator from New Jersey objects.

Mr. SMITH of New Jersey. No; I only reserved the right to object.

The PRESIDING OFFICER. The Chair understood the Senator from New Jersey to object.

Mr. SMITH of New Jersey. I feel I would be discharging my responsibility better if I carried through with what I was asked to do in regard to this section. I may say now that on other amendments I intend to offer I shall not ask for the yeas and nays, but it seems the issue involved in the section under discussion is one on which the administration wants to have an expression, and I hesitate to withdraw the request for a yeas-and-nays vote.

Mr. ANDERSON. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH of New Jersey. I yield.

Mr. ANDERSON. Does not the Senator feel that some Members on both sides of the aisle will find themselves in an unfortunate position? The able Senator from Vermont has stated his position on the question. Frankly, I might have suggested some language to amend the section had I not thought the Senator from Vermont was correct in his position. I wonder if, having arrived at a compromise, it would avail any good purpose to have a yeas-and-nays vote. I feel it would serve a useful purpose if the suggestion of the Senator from Minnesota could be adopted.

Mr. AIKEN. Mr. President, I was merely trying to keep the State Department out of the controversy. I did not think the State Department would like a yeas-and-nays vote in the Senate that would put every Senator on the spot particularly after the provisions of the bill had been modified.

In the first place, the ostensible objections which the State Department raised have been overcome by the modifications offered by the Senator from New Mexico. Whether those are the real reason why they oppose this provision is another question. I think the Department of Agriculture would like to sell the cotton. I am simply amazed that the Department of State insists that the Senate should have a yeas-and-nays vote. That is ridiculous.

Mr. SMITH of New Jersey. The State Department has not insisted on a yeas-and-nays vote since the modifications have been made, as they were unaware of

any proposed modification at the time they urged me to ask for a roll call vote.

Mr. AIKEN. That is correct.

Mr. SMITH of New Jersey. I am taking the responsibility and am simply trying to present these views to my colleagues.

In the light of what has been said, I withdraw the objection.

Mr. AIKEN. The original language was not satisfactory.

Mr. THYE. Mr. President, the only reason why I asked that the yeas and nays, which had been ordered, be set aside was simply that so far as I could see, the objection which any Department of the Government might have had to the amendment had been overcome by the compromise agreed to by all concerned who took part in the discussion of the provision. It was for that reason that I asked that the order for the yeas and nays be rescinded. I could see no good to be accomplished by carrying through with the yeas and nays.

I understand the distinguished Senator from New Jersey has withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Minnesota that the order for the yeas and nays, previously entered, be rescinded?

Mr. DOUGLAS. Mr. President, reserving the right to object, I feel that the issues have not been very clearly defined. The bill has been amended on the floor, but it appears to me that there is still a very large element of dumping—

The PRESIDING OFFICER. Does any Senator in control of time wish to yield time to the Senator from Illinois?

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. DOUGLAS. I apologize to the Chair for speaking without having had time yielded to me.

The PRESIDING OFFICER. The Senator from Illinois has been yielded 2 minutes.

Mr. DOUGLAS. As I read it I think the amendment in its present form still provides for dumping—not to such an extent as would have been possible under the original words, but still a very large amount. I should like to hear the subject discussed in more detail as to the effect upon our international relations before I would feel justified in withdrawing objection.

Mr. LANGER. Mr. President, I object to rescinding the order for the yeas and nays. It seems that Senators are afraid to have their votes recorded. I object.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. I am glad to yield it back.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. STENNIS subsequently said: Mr. President, I had prepared certain remarks relative to the first amendment offered by the Senator from New Jersey [Mr. SMITH]. At the time the amendment was under debate, the Senate was ready to vote, and I did not ask for time.

I now ask unanimous consent that the statement be printed in the RECORD immediately before the vote on the first amendment offered by the Senator from New Jersey [Mr. SMITH].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

STATEMENT BY SENATOR STENNIS  
OUR CRITICAL COTTON SITUATION

I rise in support of section 203 of the agricultural bill which directs the Commodity Credit Corporation to use existing authority to export cotton at competitive world prices. In discussing the importance of this provision, I feel it must be made amply clear that cotton faces one of the most critical situations in its history.

A. Fifteen million bale carryover August 1, 1956 (our highest in history).

B. Export market has dwindled to less than 2 million bales (and most of this has moved under Government-aided programs, such as Public Law 480 and special 1-million-bale export program for cotton).

C. Cotton acreage has decreased from 28.3 million acres in 1953 to 17.4 million acres in 1956 (without certain provisions contained in this bill, acreage would be reduced another 1.5 million acres in 1957).

D. Domestic markets are seriously threatened by synthetic competition.

IMPORTANCE OF COTTON EXPORTS

Our export market for cotton is the very heart and life of our cotton program. Without an export program which will meet price competition and regain a fair share of our world market, means that we will continue to lose this market and if present trends continue, we will find ourselves in a situation whereby we will be producing for domestic market only. This will mean continued reduction in acreage allotment, as well as an increase in surplus, and would in the end result in complete failure of our entire cotton program, not to mention the serious impacts on our cotton industry and total economy.

FAILURE TO INITIATE ADEQUATE EXPORT PROGRAM

We have already waited too long to initiate a forward-looking cotton export program and the time has come when we must take firm and positive action. We have had a pressing need for a realistic and forward-looking program for the past 2 years. Last year we had high hopes that the Department of Agriculture would announce such a program, but when the final announcement was made, the program was limited to 1 million bales of low-grade short-staple cotton. This was indeed disappointing and has failed to meet our critical situation. Again this year we had high hopes that the administration would develop a realistic program to meet world competition and to regain a fair share of the cotton export market.

EXPORT PROGRAM ANNOUNCEMENT VERY  
DISAPPOINTING

Cotton prices announced under the new USDA cotton export program are 3 to 4½ cents a pound above prices of principal competing cottons now being offered in volume in foreign markets for shipment after August 1, 1956. These prices are 2½ to almost 7 cents per pound under prices of rayon in principal producing countries. This is certainly disappointing and particularly so when cotton is faced with one of the most serious problems of our time.

I had visualized the new export program which the Secretary announced a few weeks ago as a determination on the part of the administration to meet this critical situation, by selling surplus cotton at competitive world prices with the primary objective of regaining a fair share of the world market. If

the 27½ cents per pound is set as a minimum price for export, it will be one of the most disappointing developments of our agricultural program. An aggressive long-range cotton export program designed to meet price competition and to discourage foreign production is a pressing necessity. The regaining of a fair share of this market is so very important to the actual existence of our cotton industry that unless we move our surplus supply, which is the highest in history, in an orderly way over a period of 2 or 3 years, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in acreage allotments. While our cotton farmers have reduced their acreage in an effort to keep supplies within demand, foreign producers have expanded their production to such an extent that their production is within 1½ to 2 million bales of supplying foreign demands.

**UNCERTAIN UNITED STATES POLICY DEMORALIZED EXPORTS**

World trade in cotton is already badly demoralized because of uncertainty in United States policy and has been at almost a standstill for the last year awaiting a decision on the United States plan. The setting of a price floor at the unrealistic level of only a few cents under the announced loan program for 1956 prices will cause greater confusion and uncertainties in world trade. If foreign price competition is not met under the new export program, the primary purpose is defeated and the net result will be a greater total loss to the Government without actually increasing exports. Failure to meet our critical export program will result in continued acreage control at levels far too low to give our farmers a fair standard of income.

**MILLION-BALE EXPORT PROGRAM ANNOUNCED LAST YEAR**

Under the million-bale export program, the minimum sales price was 2 cents a pound below the minimum under the new program. CCC also included in the minimum price under the million-bale program the costs of freight from interior locations to ports, and the cost of standard compression, which together average about three-fourths cent per pound. Under the million-bale program, the procedure for arbitrating the quality of the cotton purchased from CCC was different, and had the effect of further reducing costs, compared to the current program, another ½ cent to 1 cent per pound. In total, the price of cotton to the shipper was 3¼ cents to 3¾ cents per pound less under the million-bale program than under the new program.

**THE NEW PROGRAM**

The first sale under the new program resulted in the sale of 10 million bales at a price of 27½ cents per pound; a price of 26½ cents per pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The second sale made under the new program resulted in a sale of 200,000 bales of cotton, but most of this cotton was purchased under unusual circumstances by shippers who had pressing commitments from domestic mills. Most of this cotton was purchased and actually shipped to domestic mills, but will be substituted for export after August 1, 1956. Therefore, this is not a true demand for exports under the new program.

**THE COST OF HOLDING CCC STOCKS**

The storage costs and interest charge on cotton now owned by CCC plus cotton which they expect to own by August 1, 1956, will cost more than \$100 million per year.

This is a most serious and pressing problem which should be met with full force of competitive prices. A simple and direct way is to make United States cotton com-

petitive and to lower the present minimum CCC sales price. The administration has not met this important criterion, and I urge the Senate to adopt this export amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4 on page 34.

The PRESIDING OFFICER. As the Chair understands the situation, the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey. All time has been yielded back.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Idaho [Mr. WELKER] would each vote "nay."

The result was announced—yeas 13, nays 71, as follows:

**YEAS—13**

Allott	Douglas	Smith, N. J.
Bender	Knowland	Watkins
Bricker	Martin, Pa.	Williams
Case, N. J.	Millikin	
Cotton	Payne	

**NAYS—71**

Aiken	Frear	Long
Anderson	Goldwater	Magnuson
Barrett	Green	Mansfield
Beall	Hayden	Martin, Iowa
Bennett	Hennings	McCarthy
Eible	Hickenlooper	McClellan
Butler	Hill	McNamara
Byrd	Holland	Monroney
Capehart	Hruska	Mundt
Case, S. Dak.	Humphrey	Murray
Chavez	Ives	Neely
Clements	Jackson	Neuberger
Curtis	Jenner	O'Mahoney
Daniel	Johnson, Tex.	Pastore
Dirksen	Johnston, S. C.	Potter
Duff	Kefauver	Purtell
Dworshak	Kerr	Robertson
Eastland	Kuchel	Russell
Ellender	Laird	Saltonstall
Ervin	Langer	Schoeppel
Flanders	Lehman	Smathers

Smith, Maine	Symington	Wofford
Sparkman	Thye	Young
Stennis	Wiley	

**NOT VOTING—11**

Bridges	George	Morse
Bush	Gore	Scott
Carlson	Kennedy	Welker
Fulbright	Malone	

So the amendment offered by Mr. SMITH of New Jersey was rejected.

Mr. SMITH of New Jersey. Mr. President, I call up my amendment, identified as 5-16-56-E, and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 32, beginning with line 7, it is proposed to strike out down through line 2, on page 33.

Mr. SMITH of New Jersey. Mr. President, I allow myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SMITH of New Jersey. As in the case of the last amendment, I shall read a memorandum from the Department of State, which I have been asked to present to the Senate.

As stated previously, at the request of the Department of State and the administration, I want to call the attention of my colleagues to what the Department of State feels to be unfortunate with regard to section 202. I read, for the benefit of the Senate and the RECORD, a memorandum from the Secretary of State to the President, which the President has approved, on the subject of section 202 of H. R. 10875. The statement is as follows:

Peru in particular would be hurt by the enactment of section 202, with the possibility also of wide repercussions elsewhere in Latin America. Section 202 would further restrict our import quota on extra-long staple cotton and subsidize the export of such cotton—a type which the United States does not normally export. Under the circumstances, the Department of State must protest against section 202.

I have no further statement to make except to reiterate the objection to this section by the Department of State, and I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. MONRONEY. Is it not a fact that the State Department has been doing most of this pushing on the cotton situation to try to show Mr. Nasser, the Prime Minister of Egypt, that we are anxious that he remain our friend? And is not it also a fact that the smallest countries to be affected are the countries named by the State Department? Yet, with all the overtures, money, and everything else we have showered on Mr. Nasser, with all the extreme favoritism shown him on the part of our Embassy, we saw only yesterday the fruits of his friendship in his recognition of Red China.

It certainly seems to me that we have gone far enough in appeasing Mr. Nasser, who trades Egyptian cotton, not on the open market, but at a secret price, in exchange for Russian Mig's and Russian bombers, to strengthen his position in the Middle East.

In my opinion, the responsibility for the amendment worked out by the State Department rests, not on Latin America, but on the Middle East, where the State Department hopes to appease Mr. Nasser.

Mr. SMITH of New Jersey. Mr. President, I am entirely in accord with the expression by the Senator from Oklahoma of consternation over the recent action of Egypt. I feel just as strongly as he does about it.

However, I do not consider that the objection by the State Department to this particular section is based on a desire to appease Egypt. I think it is based on the situation in Latin America. If I am correctly informed, some of the countries of Latin America have been troubled about the action which might be taken under this particular provision. I think that is the basic reason why the State Department has called this provision to our attention.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. Is it not a fact that in the case of this amendment, as well as the preceding amendment, there are other reasons for advocating the amendment, besides the bare wishes of the State Department? I am informed that in my State certain textile plants are adjusted to use the extra-long-staple cotton which must be imported. If those plants are deprived of an adequate supply for their manufacturing processes, it will work a hardship upon them.

I am much more interested in that situation than I am in some of the philosophies of the State Department or in the attitude of Egypt from the point of view of our foreign relations. That statement applies also to the last amendment voted on. I am interested in the fact that when we dump cotton on the world market, it is promptly manufactured into cloth which can be imported into the United States and sold here in competition with the cotton produced by our own industries.

That is why I believe there are sound economic reasons for this amendment and the previous one, in addition to reasons which may be advanced by the State Department.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for his statement. I cannot join in the statement he has made, because I do not know the situation to which he refers.

Mr. McCARTHY. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. McCARTHY. Mr. President, let me say that I have very seldom been in agreement with the Senator from Oklahoma [Mr. MONROE], but this is one time when I agree wholeheartedly with what he has said. I may say that I do not think the State Department should dictate to the Senate how the Senate should vote. I think it would be a great mistake for us to adopt the amendment of the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, in answer to the Senator from Wisconsin, I wish to say that I do

not think the State Department is attempting to dictate how the Senate should vote; but the State Department is objecting in view of the fact that, from its standpoint, the amendment would cause some international misunderstanding. I think that is a legitimate objection, or else I would not have brought the amendment to the attention of the Senate.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes more.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Jersey was asked about certain cotton mills in New Hampshire which need long staple cotton for their operations. A similar situation exists in South Carolina. For that reason, there is written into the pending bill—the provision has been carried over from the conference report on the previous agricultural bill—the provision that—

Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield further to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. If this section of the bill, including the provision mentioned by the Senator from South Carolina, remains in the bill, is it to be interpreted as assuring the protection of the supplies essential for our own textile mills, in the case of this type of extra long-staple cotton?

Mr. JOHNSTON of South Carolina. That is my understanding of the bill as it is written at the present time. The same situation exists in South Carolina.

Mr. COTTON. I thank the Senator from South Carolina for his assurance.

Mr. GOLDWATER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Mexico—pardon me; I meant to say "the Senator from Arizona." I apologize for saying "New Mexico," although New Mexico is also a very fine State.

Mr. GOLDWATER. Mr. President, the Senator from New Jersey does not need to make any apology for referring to me as being from New Mexico; but the Senator from Arizona much prefers his own State. In fact, the junior Senator from Arizona wishes to talk for just a moment about his own State.

This amendment would vitally affect the farmers of Arizona. I know that probably it is part of the job of the

State Department to worry about the Peruvians and the Egyptians. However, it is the job of the junior Senator from Arizona to worry about the Arizonians. I think it is high time that the administration began to be concerned more about the farmers and producers in the United States, along with their concern about international economic situations over which we have little control. Unless we protect our own markets, in the interest of our own farmers and producers, the situation for them will be an impossible one. Certainly that will result if our markets are opened freely to all the other nations of the world.

I wish to add my protest, too, to attempts by the State Department to intimidate this body, by means of requesting the yeas and nays on the question of agreeing to such an amendment, and to other attempts to influence the action taken by this body.

Mr. SMITH of New Jersey. Mr. President, I wish to say that the State Department has not attempted to intimidate the Senate. I asked whether they wished to have the yeas and nays on the question of agreeing to the amendment, and they said they did. There has been no attempt to intimidate.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I wish to add my word of protest. The Senator from New Hampshire is worried about the supply of long-staple cotton. I wish to say to him that Texas, Arizona, New Mexico, and California can furnish all the long-staple cotton needed in the United States. So I wish to register my protest.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, this amendment would strike out section 202 of the bill, which provides for, first, the inclusion of cotton stapling  $1\frac{1}{16}$  inches and longer in the quota applicable to cotton stapling  $1\frac{1}{8}$  inches up to  $1\frac{1}{16}$  inches; and, second, the sale at competitive world prices of Commodity Credit Corporation stocks of domestically produced extra-long-staple cotton. The section which would be stricken by this amendment was inserted in H. R. 12 pursuant to an amendment offered by the Senator from Arizona [Mr. HAYDEN], and was carefully considered and amended by the conferees. Cotton stapling  $1\frac{1}{16}$  inches and longer was originally included in the quota of 45.7 million pounds established on September 20, 1939, under section 22 of the Agricultural Adjustment Act. Because of special temporary needs for cotton stapling  $1\frac{1}{16}$  inches and longer, it was exempted from the quota on December 19, 1940. The need which gave rise to this exemption no longer exists; and the extra cotton which is brought in on account of the exemption competes with our domestically produced extra-long-

staple cotton, which is already in oversupply.

Mr. President, I ask unanimous consent that the portion of the committee report dealing with the part of the bill now under consideration be printed at this point in the body of the RECORD, in connection with my remarks.

There being no objection, the excerpt from the report (No. 1966), was ordered to be printed in the RECORD, as follows:

Extra-long-staple cotton (sec. 202): Subsection (a) provides that the existing import quota on extra-long-staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall hereafter cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of  $1\frac{1}{16}$  inches and longer to bring such cotton back within the quota. The quota is 45.7 million pounds, or approximately 95,000 bales. About 16,000 bales of  $1\frac{1}{16}$ -inch cotton was imported in 1955. The section also requires that dates for the quota year conform to normal marketing practices. The present quota year is from February 1 to January 31. Cotton stapling  $1\frac{1}{16}$  inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. This section will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra-long-staple cotton. These stocks currently total about 97,000 bales.

Mr. ANDERSON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I shall try to use even less than that amount of time, in view of the fine statements which have been made by the Senator from Oklahoma [Mr. MONRONEY], the junior Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Arizona [Mr. HAYDEN], and other Senators.

Actually there are only about 30,000 bales of this long staple cotton produced in all the United States. Egypt exports 90,000 bales a year to the United States. It is not too much to give the farmers of America 30,000 bales out of a 130,000-bale market.

We have tried to be reasonable. There was some language which was objectionable to the very able Senator from South Carolina [Mr. JOHNSTON], who was speaking in the interest of a mill in his State. He took exception to that language. He was well within his rights. The Senate Committee on Agriculture and Forestry, under the able leadership of the Senator from Louisiana [Mr. ELLENDER], recognized the situation and amended the language, which made it possible for the committee to agree upon the language.

As I recall, the veto message did not mention this particular section strongly

if it mentioned it at all. I believe we would do well to vote down the pending amendment, because the provision in the bill obtains for our farmers only a small share, not of the world market, but of the domestic market. Surely the American farmer ought to be entitled to a fourth of the domestic market.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. President, I had intended to use a part of my time to read a paragraph from the committee report, but that paragraph has been inserted in the RECORD by the Senator from Louisiana [Mr. ELLENDER].

With regard to the use of this particular type of cotton in manufacturing, the maximum amount of such cotton imported in any one year has been about 15,000 bales. The bill adequately takes care of that supply.

First, American grown long-staple cotton will satisfy all use requirements as well as Peruvian long-staple cotton, and will make better thread than Peruvian long-staple cotton. Cotton imported from Peru is used in this country primarily to make fine shirting. It costs 5 to 8 cents per pound less than American long-staple cotton. The United States does not grow cotton stapling  $1\frac{1}{16}$  inches and longer because of high cost of production.

Second. The import duty on Peruvian cotton is  $1\frac{3}{4}$  cents per pound. The import duty on cotton of  $1\frac{1}{8}$  to  $1\frac{1}{16}$  inches long is  $3\frac{1}{2}$  cents per pound. There is a very low tariff rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back their time?

Mr. SMITH of New Jersey. Mr. President, I yield back my remaining time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. SMITH of New Jersey. Mr. President, I have one remaining amendment. It is designated "5-16-56-G." I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 58, beginning with line 9, it is proposed to strike down through line 20 on page 67.

Mr. SMITH of New Jersey. Mr. President, I should like to modify my amendment in order to limit it.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. SMITH of New Jersey. The amendment as submitted would strike out all of title V. I find, on checking the request which the State Department made to me in this connection, that the objection to title V was due to some discrimination against Cuba. The feeling was that this provision violated the most-favored-nation clause.

I ask, therefore, that my amendment be modified as follows: On page 59 of the bill, line 25, strike out the words "or exported to Cuba"; and on page 64, of the bill, line 20, strike out the words "other than Cuba."

That would simply place Cuba back on the same basis with other countries, with no discrimination against it. The first change made by my amendment is in section 380c, and the second is in 380k (c).

In support of my amendment I wish to read a memorandum sent to me by the Secretary of State, and approved by the President, with regard to this particular amendment. The subject of the memorandum is "Two-Price Plan for Rice, Proposed in H. R. 10875." The memorandum reads as follows:

H. R. 10875 as reported by the Senate Agricultural Committee authorizes a domestic allotment program for rice, at the discretion of the Secretary of Agriculture. The bill provides, however, in section 380c and 380k (c) of title V that the processed rice of the United States, if this plan were instituted, would not be available to Cuba at the low price which would apply to exports of the same product to all other countries.

This would be discriminatory against Cuba and would be contrary to the most-favored-nation principle, which is fundamental to our international trade policy.

Nondiscrimination and equal access to resources in international trade are directly related principles. They have especially great importance to us in view of our dependence on foreign sources for many materials of high strategic value.

The proposed violation of the most-favored-nation principle would set a precedent of great danger for the future accomplishment of our objectives in international trade. We would be placed under obvious handicaps if it became necessary for us to contend against violations by other countries of their commitments to us regarding most-favored-nation treatment.

The problems which the proposed legislation would create make it necessary for the Department of State to express its disapproval of sections 380c and 380k (c) of title V.

JOHN FOSTER DULLES.

I have limited the application of my amendment to Cuba in order to prevent this discrimination. The remaining sections are not affected.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The original amendment offered by the Senator from New Jersey would have deleted the provision of the bill authorizing the Secretary to institute a 2-price program for rice in 1957 and 1958, or in 1958 and 1959, if he determines that such a program is administratively feasible and in the best interests of rice producers and the United States. Except that it is discretionary, the 2-price program provided for by the bill is substantially identical to that approved by Congress when it passed H. R. 12. Initiation of the program would be dependent upon a determination by the administration that it is in the best interests of the United States. Two-price plans have been proposed for many years, and the only way that we shall ever determine their effectiveness is by putting such a program into operation. Because of the small number of States involved, and the small percentage of world production

represented by United States production, rice is the most suitable commodity for which an experimental program could be tried. The plan would become effective only if the Secretary determined it would be in the best interests of the United States, and then only for 2 years.

With respect to the statement by my colleague from New Jersey with respect to Cuba, let me say that I have discussed the question with many Cubans, particularly those involved in the importing of rice. I have heard no objection to including Cuba in our primary market; in addition, as I have said, this plan is purely discretionary.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back the remaining time?

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. DIRKSEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all of title V, on page 58, after line 8, through line 10, on page 69.

Mr. DIRKSEN. Mr. President, I am not sure that the amendment will prevail, but I certainly would not like to see the consideration of the bill concluded without at least making a record on the rice title.

I quite agree with my distinguished friend from Louisiana [Mr. ELLENDER] that it is wholly permissive and in the hands of the Secretary of Agriculture whether such a program shall be instituted. That is correct.

However, the fact is that once it is incorporated in a statute it means that a great deal of pressure will be placed upon the Secretary of Agriculture. I doubt whether that ought to take place, particularly in respect of a two-price system on any commodity, for it is the opening wedge for other commodities, as we saw in our earlier deliberations on the farm bill.

It is a fact that rice production in the United States has doubled in the past 10 years, and most of the increase, of course, has gone into the export market.

However, just as soon as the Asian countries were able to resume their usual production, our real troubles began. During the war period I think the prices in the main were pretty well above support levels. After the war they began to drop, and then our exports began to drop also.

From 1953 until 1954 and 1955 the figures indicate that our exports dropped nearly 33½ percent. The net result is that beyond that we have the problem

caused by increased war production. As I say, with a doubling of rice production over a period of 10 years, we cannot help but have a surplus problem with respect to this particular commodity.

To indicate what is necessary, and in order to demonstrate the problem, the Department of Agriculture estimates that on the 1st of August we shall have in stock 30 million bags of rice. The normal carryover was about 3 million bags. We will have at least six times the normal carryover, and we will have enough in the carryover to provide a full year's consumption of rice.

No one disputes the fact that a problem exists. The question is how to solve it. I doubt very much whether this proposal will solve the main problem. What it proposes to do, in my judgment, is merely to freeze the wartime production. I do not believe that is the solution at all. If pressures can be exerted on the Secretary of Agriculture to go through with a plan of this kind, we shall have actually frozen the production at a high level. The problem then will be to get rid of it.

There is another amendment pending, proposed by the distinguished Senator from Arkansas [Mr. FULBRIGHT], which provides in essence that the President shall make an effort to dispose of surplus rice to oriental countries. There is no escape clause in it. There is no provision for consideration of the customs of other countries. Anyone who goes to the Orient and looks around will find warehouses up and down the Irrawaddy River in Rangoon filled with rice, and he will find that prices are going down and surpluses exist. However, the committee amendment provides that the President must make the effort to sell our surplus rice to oriental countries.

All that can come out of it, of course, is a great big international headache before we get through. However, that is not all the committee amendment provides. It says that before any offer is rejected, the President must submit it to Congress. That is a sort of indirect veto upon the action of the Executive. It is an indication of the difficulties which will be encountered.

If we are producing at the wartime level, and if we have 30 million bags of rice in the carryover, and if that is 6 times more than our normal carryover, then, in my considered judgment, there is only one way to deal with the problem, and that is to bring about an acreage reduction, so that the production of rice will be geared to our needs and to a reasonable reserve and to the exports.

The amendment which was offered by the distinguished Senator from New Jersey [Mr. SMITH] provided for the elimination of Cuba as a part of the primary market. I believe it is astounding to write into any piece of legislation a provision that a sovereign foreign country like Cuba and a territorial possession like Puerto Rico shall be included in the primary market, along with the domestic market of this country. What control do we have over Cuba? None at all.

Therefore, as a matter of fact, it seems to me that we are going extremely far

when we include a sovereign country as a part of the primary market of America. It can lead to no end of trouble.

As I sense this thing, in the non-Cuban areas, in the Caribbean particularly, it would be possible, no doubt, to get hold of quite a good deal of rough rice, to mill it elsewhere, and then to dispose of it in rice-consuming areas. Then what starts out to be a primary market becomes a secondary market before we get through.

There is another feature which should be mentioned. I refer to the provision that the value of the certificate shall be equal to the difference between 90 percent of parity price of rice and the level of the price support. Perhaps that can be done, but the bill says nothing about the market price, so far as I can determine. We can very easily envision a situation in which rice in Cuba and in the domestic market will be selling at 100 percent of parity. It would appear to me that indirectly, at least, we would be putting a rather interesting regressive tax on the modest consumers, the humble people, who are the real rice consumers of the country.

There are a great many other things in the bill which I do not like. There is the provision, for example, for refunds to the owners of rough rice. That will become effective on the last day of July. I do not know too much about the rice business, but I do know that the new year for rice begins on the 1st of August; and all the training I have had tells me that as we come to the end of a crop year, whether it is in futures or in cash markets, the supplies become a little slim, and prices go up. Therefore, if we provide on the last day of the old crop year that those who are the owners of rough rice shall get 35 percent of parity, it looks to me as though we will have additional trouble.

There are many other things one could say about the bill. I have become very unhappy about a situation of that kind, with all the complications and difficulties of enforcement.

Finally, of course, our whole hope has been to withdraw a few of the Federal controls and to leave agricultural producers with less instruction on the part of the long hand of the Federal Government.

As I envision the administrative machinery necessary to carry out the processing tax which is involved, if this provision should become law, and if the program should be instituted by the Secretary of Agriculture, there will be other complications.

Therefore I wish the RECORD at least to disclose my observations, and I hope that the Senate in its wisdom will strike out this title. I know that my distinguished friend from Louisiana has labored long and earnestly with the problem. I can understand that. However, this is once more a two-price system. If it starts, then, of course, it can move into any other commodity. Then we will simply be multiplying our problems, rather than dissipating them.

Consequently, while my hopes are not too high that the amendment will prevail, I still believe the record should be

made before our discussions of the bill have been concluded.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Title V as it appears in the bill has been approved by all segments of the rice industry. The rice industry would like to make the two-price plan mandatory. The reason for including this title in the bill was this: Two-price plans have been suggested for the past 15 or 20 years. I had occasion to talk to the Secretary of Agriculture about this subject. Although he did not say he was in favor of a two-price plan for rice, he indicated that since two-price plans have been talked about for so many years, it might be a good idea to try such a plan on a crop which is produced in only 4 or 5 States and by only a few farmers.

The consumer will not suffer, contrary to what was indicated by my friend from Illinois.

Rice would be sold at whatever the market price may be. Assuming that the market price is 65 percent of parity, the millers of the rice purchased at that price would be required to purchase certificates equivalent in value to 25 percent of parity before milling the rice which will be consumed domestically.

Normally, a miller would not have more than 90 percent of parity invested in rice destined for domestic consumption. A farmer, on the other hand, would receive certificates equal to the difference between the support price in effect for that year's rice crop and 90 percent of parity as to that portion of his production which would be consumed domestically.

Mr. President, as I have stated, this authority to inaugurate the two-price plan is discretionary on the part of the Secretary of Agriculture.

Since the bill will be late in its passage, the committee decided that it might not be feasible to attempt to put the two-price plan into operation in 1956, so it voted to give discretionary power to the Secretary of Agriculture to put the two-price plan into effect for 1957 and 1958, or 1958 and 1959.

Mr. President, I hope the Senate will reject the amendment proposed by the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I am sensible of everything that my distinguished friend from Louisiana has said, but I wish to leave this last thought with the Senate.

Whenever we have been discussing an agricultural bill, if, for instance, the Secretary of Agriculture may have said he did not have the requisite authority to act, then, of course, there was an immediate search through the statutes to see whether the authority was there. Then the pressures began.

What we are doing today, if this title is retained in the bill, is to confer authority upon the Secretary of Agriculture and leave it to him whether a two-price program for rice shall be initiated. If, perchance, some difficulties arise with respect to this particular commodity, then all the pressures in kingdom come will be applied to an administrative official of the Government to induce him to place the plan into effect.

I do not believe that is the salutary or happy way to deal with a problem of this kind, because the implications are so great, and the possibilities applying the same principle to other fields are so great, that a two-price system would very probably disorganize and negate everything the Senate is trying to accomplish in the pending bill.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Mr. President, this is a provision which was placed in the bill because of the feeling of a great many persons that we ought occasionally to try to find new ways of dealing with agricultural surpluses which can get quickly out of line.

The Senator from Illinois very correctly said there was virtually no carryover of rice for many years, but suddenly the carryover went up to 29 million bags.

There is need under certain conditions and with reference to certain commodities for a plan to dispose quickly of surpluses. I have in my own mind wondered whether we could do something about it, and, at the request of the able chairman of the Committee on Agriculture and Forestry, I finally held some hearings with reference to the rice situation. We tried to find a good commodity on which to make the test. If a test is ever to be made of a two-price system I hope it will be made on some commodity like rice which has a relatively small number of producers. It was for that reason that the provision was added to the bill.

I believe the chairman of the committee came to the same conclusion. I hope the provision will remain in the bill. It does not thrust something down the throat of the Department of Agriculture. If the Department finds it desirable to try a two-price system it can try it on the one commodity on which it can be tried without too much damage to the agricultural community.

That is why I voted to put the provision into the bill, but I voted against it as to wheat. Wheat can be grown in many States, but rice can be grown in only a small number of States.

Furthermore, American rice production is approximately 1 percent of the world production. If I am incorrect in that statement, I hope the Senator from Louisiana will correct me. It is about 2 percent of the world production; is it not?

Mr. ELLENDER. It is 1½ percent of the total world production.

Mr. ANDERSON. So, what we do does not affect the world price. It does not destroy the State of Burma, or Thailand, or any other nation. Therefore, Mr. President, I hope the provision will remain in the bill so that the Department can test it and find out whether a two-price system will work on this commodity. If it will, it may work equally well for wheat, and we shall have found a method of handling some of our surplus commodities.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN]. [Putting the question.] The "nays" appear to have it.

Mr. DIRKSEN. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HICKENLOOPER. Mr. President, I call up my amendment designated "5-16-56-B."

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. It is proposed, on page 50, line 22, after the period, to insert the following:

For the purpose of eligibility for price support on the 1956 crop of corn, a producer may satisfy the requirement that he devote an acreage to the soil bank by entering into a contract under the conservation reserve program prior to December 31, 1956.

Mr. HICKENLOOPER. Mr. President, this amendment was prepared after consultation with the Department of Agriculture in connection with the soil-bank proposal for this year.

I wish to invite attention to the fact that corn is the only one of the basics which is required to contribute a portion of its allotment to the soil bank. Corn has assumed that obligation. However, as the situation now stands, the Secretary of Agriculture is given discretion to determine whether it is feasible to place an acreage reserve program into effect this year with respect to the Corn Belt. There is some question about it. Personally, my inexperienced opinion in the matter is that it could be put into effect. There are those who know a great deal more about the subject than I do who feel that it is not feasible to put an acreage reserve program into effect this year for corn.

It will be noticed in the bill—and my amendment does not change it except that it extends the time—that as a condition for eligibility for price support, a producer must do two things: First, he must devote an acreage of cropland tilled in normal rotation, at the option of the producer, and, second, he must not exceed his farm base acreage for corn.

My amendment would not change either of those provisions. He must stay within his farm base acreage for corn. That is number 1. He must devote an acreage to either the acreage reserve or the conservation reserve equivalent to 15 percent of his base acreage allotment. That is number 2.

My amendment is prepared against the possibility that it may not be feasible or practicable to install an acreage reserve program for corn this year. The amendment extends the period during which the farmer can qualify for eligibility for price supports this year, still keeping within his basic corn acreage. He may not exceed that. But the amendment extends to December 31, 1956—this year—the period within which he can enter into a contract to go into the conservation reserve program.

The proposal is this simple: In many places; indeed, on the vast majority of the farms from, we might say, at least the Iowa line, or north from there, and from there southward, the crops are already in. The planting is done. Unless the farmers plow up existing plantings and sustain the loss of their seed, and such other things as have gone into the planting, they may find themselves unable to cooperate in either the acreage reserve or the conservation reserve.

My amendment merely extends the time by contract to the 31st of December. It does not reduce the requirement that the farmers must contribute 15 percent. It does not reduce the requirement that they must remain in their acreage allotments.

Again I point out that corn is the only one of the basics which is not required to contribute to the acreage reserve or the conservation reserve.

I hope the amendment will be adopted as a clarifying amendment. I think it will be very helpful in enabling more farmers to come into the program and contribute the 15 percent in view of the lateness of the season.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The only reason why corn has been singled out as one of the basic crops which must comply with the acreage reserve program is that it is still the season of the year when the crop is being planted, and the farmer can adjust his planting so as to comply. Either he must reduce his acreage planted to corn by 15 percent or he must allow to lie idle an additional number of acres out of his available acreage.

Mr. HICKENLOOPER. That is correct; but I call the Senator's attention to the fact that the bill as it now stands provides that the Secretary of Agriculture shall have discretion as to whether or not he will establish an acreage reserve program for this crop year, because of the lateness of the season and the time when the bill will go into effect. If the Secretary should determine that it is not feasible to establish an acreage reserve program for this year, he will have a conservation reserve program. But there may be some serious complications involved, and some actual deterrents against the farmer complying with his acreage allotment.

The amendment extends the time, in view of the planting season, under which the farmer can contract to go into the conservation reserve on December 31, 1956.

Mr. THYE. This is an important question, because throughout the Corn Belt of the Nation the farmer this week is planting. Many a farmer is trying to ascertain through the channels of radio, television, and the newspapers exactly what Congress has done, and what the farmer may do to qualify himself to become eligible for the program.

It is for that reason that I have asked the questions. I want to make certain that we will help the farmers to adjust their operations to the legislative machinery which we are trying to provide by the bill. If in the event the Secre-

tary of Agriculture were to establish acreage allotments—

Mr. HICKENLOOPER. He will establish acreage allotments, but there is a question—

Mr. THYE. He will because the act makes mandatory 51 million acres.

Mr. HICKENLOOPER. Yes.

Mr. THYE. He has already set the amount at 43 million acres, and the producer has been informed of a number of acres which his farm will be eligible to have planted to corn.

Mr. HICKENLOOPER. Yes.

Mr. THYE. The Senator from Iowa and I are endeavoring to legislate so as to provide a 51 million acre base. That would mean that the permissible acres would be increased by that amount.

The Secretary may state that the farmer would have to allow to remain idle 15 percent of the number of acres planted to corn, if the farmer is to qualify under the acreage allotment and receive the \$1.50 ceiling price.

Mr. HICKENLOOPER. The point is that the bill gives discretion to the Secretary and provides that if, in his opinion, an acreage reserve program is feasible, he can put it into effect. Of course, that is where the farmer has underplanted allotted acres. If the Secretary does not think such a plan is feasible, he does not have to put an acreage reserve program into effect, but the conservation reserve program will be in effect.

Mr. THYE. That leaves the Secretary with discretion as to whether he puts the plan into effect with the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. That is the reason why I am stressing the point. I wish to make certain that we ourselves do not legislate without completely understanding the issue and the question, assuming that the Secretary does not put the acreage reserve program into effect. If he does not, then the acreage goes into the other conservation program.

Mr. HICKENLOOPER. That is correct; and in most cases the land which would normally go into the conservation reserve, cropland which has already been planted, is in the process of growing at this time.

Mr. THYE. If that acreage is the acreage designated by the producer to be set aside, in a contract entered into with respect to it, that contract would have to be over a period of how many years?

Mr. HICKENLOOPER. Three years.

Mr. THYE. Not less than 3 years?

Mr. HICKENLOOPER. That is correct.

Mr. THYE. The Senator states that under his amendment the farmer would be eligible to designate acres any time between now and when?

Mr. HICKENLOOPER. December 31, 1956.

Mr. THYE. He would draw his compensation at what time?

Mr. HICKENLOOPER. He would be eligible to draw his compensation under the bill at the time he set the acres aside and began the practices which are called for. That is, he would be eligible for annual compensation at the time he set

the acres aside and began the practices which are called for under the contract.

Mr. THYE. And "begin the practices" would mean that the farmer could not take a crop off that land in the calendar year 1956; would it not?

Mr. HICKENLOOPER. Not if he agreed to it immediately. But he would have until December 31 to make a contract. If he waited until that time, the contract would be for the reduction in the next year.

Mr. THYE. That would be for the 1957 crop; therefore, he would get no compensation in 1956.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. However, if the Senate passes the bill today, and if it should become law within the week, then that producer could very well say, "Rather than to plant 15 percent of my tillable land to soybeans, I will let it lie idle and enter into a contract with my Government not to produce soybeans or any other crop on that 15 percent of my tillable land," and he could continue to qualify to plant his full quota of the 51 million acres as will be very soon designated by the State committee and the county committee as his individual quota. He could plant all of that to corn and be qualified to receive the \$1.50 commodity loan on the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. For these reasons, I think the amendment offered by the Senator from Iowa is reasonable and fair. It does not advance any money. It permits a farmer, if he desires not to plant soybeans or some other kind of crop, to enter into a contract immediately and to qualify himself for payment this year.

But if his crop is already in, and he wishes to make his plans and to designate them to the Secretary by December 31 of this calendar year, and if he wishes to enter into a long-term contract, it will be permissible for him to do so and still qualify to receive loans upon his full acreage allotment planted to corn.

Mr. HICKENLOOPER. The effect of the amendment will be felt in the event that an acreage reserve program is not established for this particular crop year. The only thing left open would be a conservation reserve program. If the acreage reserve program goes into effect this year, then the farmer would have to underplant his corn acreage if he wanted to go into the acreage reserve program.

Mr. THYE. That is correct.

Mr. HICKENLOOPER. I shall not labor the point. The matter came up yesterday. Really, this is a suggestion of the Department of Agriculture. It is not my original suggestion. I could see the justice of it.

I hope the chairman of the committee will see fit to take this amendment to conference. If there is something wrong with it, it can be rejected in conference. If further examination shows merit and necessity for the amendment, then the conferees may retain it. I believe it has merit. I believe if an acreage reserve program is not considered feasible this year in the Corn Belt, something like this amendment is needed in order to get the

necessary acreage into the reduction program.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. THYE. Mr. President, what we want to do is to get as many acres out of crop production in this calendar year as is possible, because what we are confronted with is surpluses. Surpluses are not going to be reduced unless the number of acres which are to be harvested is reduced. If there is provided in a measure an inducement not to plant and not to have the crop to harvest, the overall surplus will be reduced. With the present corn allotment, as provided in the bill, at 51 million acres, and the provision to set aside acres and have them lie idle, and to compensate the farmers for the idle acres, there is a basis for having the feed producer, such as the producer of sorghum grains, barley, rye, and oats, obtain relief. There are going to be considerable acres planted to corn. There are going to be fewer acres planted to barley, oats, and sorghum grains, because the producer of the latter crops has the opportunity under the program to be compensated for the acres he keeps idle.

In this calendar year there can very well be accomplished a very great reduction in the quantity of overall feed grains which will be grown, and at the end of the calendar year there will be a much improved surplus feed or commodity situation in this land.

For that reason, Mr. President, I believe that the amendment offered by the Senator from Iowa will help us to bring about contracts with the Government whereby certain tillable acres will lie idle, which will reduce the overall feed supply or crop supply in the coming calendar year.

I support the amendment.

Mr. ELLENDER. Mr. President, I hesitate to differ with my good friend from Iowa. As he well knows, the committee discussed the question of whether or not there should be advance payments for soil-bank participation. I realize that the amendment which is proposed does not purport to deal with advance payments. As I stated earlier, it is not the purpose of soil-bank payments to increase the income of farmers per se; farmers could obtain the equivalent of those payments by planting their land instead of putting it into the soil bank. Thus, such payments would result in no increase in farm income. Too, if a farmer received a payment in 1956 for soil-bank participation in 1957, the amount of that payment would be subtracted from his 1957 income. The soil bank would permit farmers to take allotted and planted acres out of cultivation; production would thus be reduced—and surpluses reduced.

If the amendment, as suggested, were adopted, what would happen? A grower of corn could plant his base acres. He could use the remainder of his cultivated acres to plant other crops which are now in surplus. As soon as those crops were gathered, he could say, "We will set aside these acres." He could do so anytime before January 1. Certainly, this would not accomplish what we had in mind

when we agreed to increase corn acreages from 43 million acres to 51 million acres. We conditioned that 8 million-acre increase upon corn farmers putting the equivalent of 15 percent of their base acreage into the soil bank. Adoption of the pending amendment would simply mean that the farmers of Iowa and the farmers of any other commercial corn-producing State would get a bonanza. This is just a rather concentrated dose of the same kind of favored treatment commercial corn has already received in abundance. It would be possible for a corn farmer to get price support in 1956 by, in effect, merely promising to participate in a 1957 soil bank. He could plant his full corn allotment, plant the remainder of his farm to a secondary crop, harvest and sell that secondary crop anytime before January 1 of 1957, and still get compliance price support. Not an acre would have been taken out of production in 1956.

I submit this is not what was contemplated by the Senate committee. Surpluses cannot be reduced by merely signing a contract to perform some act in the future. A contract should provide that if a farmer desires to place any of his cultivated acres into the soil bank, he must agree not to plant anything on that land—to not produce any feed, or other crop of any kind, in order to make himself eligible for payments.

As I understand the amendment, it would permit the Secretary of Agriculture to consider as taken into the soil bank in 1956 acres that are planted to crops and from which crops have been harvested. The difficulty is that although he does not set them aside, the farmer merely designates them before January 1, 1957 for the soil bank in 1957 he has already produced on those acres a crop which he should not have produced, if the soil bank theory, as I understand it, is to be adhered to.

Mr. President, the House has voted down any proposal which smacks of advance payments. I believe the proposal was not submitted to the Committee on Agriculture and Forestry for the reason that it was known the committee was opposed—

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. HICKENLOOPER. I disagree with the Senator on the matter of the proposal to the Senate committee. The Senator may not have been present at the moment, but I offered in the committee the amendment, which was called the Hope amendment in the House, and which provided for advance payments. I withdrew that amendment, or the offer of it, based on the specific assurance which is contained in the report, not only of the House, but of the Senate, that payments would be eligible, under the language of the bill itself, when the land had been set aside and the practices had been begun—which to me was satisfactory.

Mr. ELLENDER. I did not mean to say that the committee did not discuss the proposal, but what I meant to say was that the committee took no action on it.

Mr. HICKENLOOPER. I agree with the Senator on that phase of it.

Mr. ELLENDER. I apologize if I said anything different; that is the impression I intended to convey. The Senator recalls that we placed language in the report that a farmer would become eligible for payments, under the conservation-reserve program, in cases where he set aside that land but may not have the grass seed to grass the land, or may not have the trees to plant on those set-aside acres.

Mr. HICKENLOOPER. Not alone the conservation acres, but also the acreage reserve.

Mr. ELLENDER. That is correct. It is possible to do that; it is in the report.

Mr. HICKENLOOPER. Yes; it is in the report.

Mr. ELLENDER. I hope the Secretary of Agriculture will be able to carry out both programs in the case of corn; and I think he can to a large extent—provided we get the bill to the President, and provided he signs it, by Monday or Tuesday of next week.

But the point I am raising here is that if we were to adopt this amendment, as I understand it, it would run counter to the soil-bank concept. Under this amendment, a farmer would sign an agreement to set aside acres in the future—acres on which he would now be growing a crop. That is far beyond the concept of the soil bank. It is a concept which, in my humble judgment, is closely related to the advance payment idea which was so objectionable to the House of Representatives, and which certainly should be objectionable to the Senate.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I certainly assure the Senator from Louisiana that it is not my understanding that upon signing a contract, advance payment would be given. I do not think there is in the amendment anything which would result in that. I think the language is still the same—namely, that the land must be set aside and the practices under the contract must be begun before payment can be made. That we agreed to.

Mr. ELLENDER. Yes; but the land could be planted this year, and the crops grown thereon could be gathered, and then the contract could be signed. As I understand the amendment of the Senator from Iowa, that is what it would permit.

I believe that under the language of the bill as it is now presented to the Senate, ample opportunity would be given to any farmer to set aside a given number of acres for the conservation reserve. He could make up his mind now—as soon as this bill passes—to set it aside and not to plant crops on it.

But as I understand the amendment of the Senator from Iowa, a farmer would have until December 31, 1956, to sign the contract, and in the meantime he could

put crops on those acres, harvest those crops, and compete with many—

Mr. HICKENLOOPER. But he would not get paid for it.

Mr. ELLENDER. No; he would not get soil bank payments, but he would get increased price support. But why not let the soil bank remain as the committee contemplated; why not have the contract entered into and the support available provided the farmer actually sets aside that land, and provided the farmer does not devote those acres to any crop which will further aggravate our existing surpluses.

I thought the Senator from Iowa was satisfied—

Mr. HICKENLOOPER. This amendment is offered only against the possibility that the acreage reserve may not be feasible this year.

Mr. ELLENDER. I thought the Senator from Iowa was very well satisfied with the language which was placed in the bill. We raised a pertinent question, I may say—

Mr. HICKENLOOPER. I am satisfied with the language in the bill and the interpretation in the report, which I think is clear—at least, to me—

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. But we did leave in the bill provision for the exercise of discretion by the Secretary as to whether the acreage-reserve program would be put into effect this year; and the fundamental reason for that was the question as to whether it would be feasible or workable.

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. I want to get as much acreage committed to either the acreage reserve or the conservation reserve as possible.

Mr. President, I do not care to pursue the amendment any longer; I think all of us understand it.

I merely suggest that the Senator from Louisiana take the amendment to conference; and if in conference, upon study and examination, it is considered that the amendment is not a sound one, the conference committee does not have to accept it. But if upon later examination the amendment is considered to have merit, the conferees on the part of the Senate could insist upon it.

Mr. ELLENDER. Under the rules, if the Senate adopts an amendment, the conferees on the part of the Senate have to strive for its adoption by the conference committee. Personally, as I understand the amendment, I cannot "go" for it; I shall be frank with the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, the Senator from Louisiana has been in the Senate for many more years than I have, but I have seen many, many amendments taken to conference for examination, even though the chairman of the committee has stated that he did not particularly favor the amendment, but stated that he was willing to take it to conference, for study, and to examine it, as to its merits or demerits.

Mr. ELLENDER. Mr. President, if the Senator from Iowa wishes me to take the amendment to conference, for study,

I have no objection. But for the Senate to adopt the amendment, with the understanding that the conferees on the part of the Senate would work to have it included in the conference bill, is something else. Personally, I would be opposed to it. I prefer to be frank with my good friend, the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I appreciate the Senator's frankness. He is always frank in stating his position. I am only attempting to say that this matter came up only yesterday evening, as a matter of fact. Frankly, I have not had time to look at all phases of the matter. If there are contingencies—

Mr. ANDERSON. Mr. President—  
Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I have been trying to understand the amendment. I understood that it was a Department of Agriculture amendment. I talked to the Secretary of Agriculture, and I do not believe he is familiar with the amendment.

I have been handed, by the able Senator from Vermont [Mr. AIKEN], an explanation which he has received; and I wish to check it with the chairman of the committee.

Mr. HICKENLOOPER. I have an explanation which comes from the Department of Agriculture. I do not know whether the Senator got the explanation from—

Mr. ANDERSON. I got it from the Senator from Vermont [Mr. AIKEN], and it is authentic.

Mr. AIKEN. They are identical, and they were given to me by counsel for the Department of Agriculture.

Mr. HICKENLOOPER. Mr. President, I do not know whether the Secretary of Agriculture knows anything about it, but certainly his agents know.

Mr. AIKEN. Mr. President, it is my understanding that the amendment will permit the grower who keeps within his share of the 51 million acreage reserve this year to qualify for the supports if he agrees before December 31, 1956, to put 15 percent of his cropland into the reserve for the next year.

Mr. ELLENDER. Yes; for the following year.

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. But he is permitted to plant that acreage in 1956.

Mr. AIKEN. Up to 51 million acres.

Mr. ELLENDER. As to corn, yes; but he would also be able to plant the land he promises to put in the soil bank to other crops.

Mr. ANDERSON. Mr. President, I wish to say that this amendment, if agreed to, would provide 25 cents a bushel more this year, for something to be done next year.

Mr. ELLENDER. That is right. In other words, it provides for an advance payment.

Mr. HICKENLOOPER. No, Mr. President I do not agree. The farmer will

have to keep within his allotment anyway.

Mr. ELLENDER. That is, if he is to receive the \$1.50.

Mr. HICKENLOOPER. Yes; but not if he is to receive the \$1.25. This is not necessary if he is to receive the \$1.25. But it does protect the conservation reserve.

Mr. AIKEN. Under the present law, the farmers would have to reduce to 43 million acres this year. That was increased to 51 million acres, with the understanding that the corn farmers would have to put an acreage equal to 15 percent of that in the soil bank. By means of this amendment, we would give them 51 million acres on which to produce corn, and do nothing about placing acreage in the soil bank this year.

Mr. ANDERSON. That is exactly correct.

Mr. ELLENDER. As a matter of fact, as I have pointed out, the farmer could plant the land and could gather the crop from it, and then could set aside 15 percent of the land from which he gathered the crop in 1956. I find no essential difference between that and an advance payment. It is really an advance payment.

Mr. HICKENLOOPER. I do not agree that it is advance payment. However, Mr. President, I do not care to discuss the matter further. I think the amendment has merit. I hope it can be taken to conference and examined there. If it cannot be, well and good. I am prepared to have the Senate vote now on the amendment, and to yield back the time remaining under my control, if those on the other side are prepared to yield back the time remaining under their control.

Mr. ANDERSON. Mr. President—

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I wish to ask a question of the chairman of the committee. It has been said that the amendment should be taken to conference, and that if in conference there were objection to the amendment, it could be taken out of the bill while the bill was in conference.

But what if the House accepts the Senate amendments, and does not request a conference? In that case, the amendment will be in the bill.

I think the amendment is a dangerous one, because I do not know what it would do to other feed grains. I do not think it ought to be accepted.

Mr. ELLENDER. Neither do I.

Mr. HICKENLOOPER. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. At the end of title 3 it is proposed to insert the following:

WHEAT USED ON FARM WHERE PRODUCED

SEC. 309. That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1955 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"(2) That such entire crop of wheat is used for seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner, or operator of the farm;

"(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm."

Mr. BYRD. Mr. President, this amendment was adopted by the Senate last year but was not concurred in by the House. It simply provides that when a farmer has excess wheat he may feed the excess wheat on his own farm, or may use it for seed or for any other purpose on the farm. In the valley of Virginia suits have been started by the Department of Justice against certain farmers to fine them because they are using their excess wheat to feed to their own stock.

The purpose of this amendment is to remove any penalty from a farmer who raises excess wheat and feeds the wheat on his own farm.

I believe the distinguished chairman of the committee has indicated that he would accept this amendment, because it was adopted by the Senate last year.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The Senate has had under consideration the same provision in a separate Senate bill, and it was also included in H. R. 12. The Committee on Agriculture and Forestry has passed upon it many times. My good friend from New Jersey [Mr. SMITH] had it adopted earlier this year. So far as I am personally concerned, I see no objection to it.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. THYE. If a farmer produces wheat for his own poultry or hogs or dairy cattle, there is no reason in the world why the Government of the United States should in any sense try to dictate to him. If he does not plant the land to wheat he is going to plant it to barley or some other grain which is adapted to the particular area.

I think the amendment is entirely proper. There is no reason in the world why a farmer should not be privileged to seed what he wishes to seed on his own acres, and to harvest the crop and use it on the farm as he sees fit, so long as he does not put it into the channels of the market, or send it to be processed or traded with someone else to replace someone else's wheat. I think the amendment is a good one.

Mr. ELLENDER. As the Senator well knows, the Committee on Agriculture and Forestry has approved this very provision on several occasions, and I do not know of any opposition to it.

I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

This amendment is identical to S. 46, which was passed by the Senate on March 28, 1955, but which has not been reported by the House Committee on Agriculture. It would exempt wheat producers from marketing penalties, beginning with the 1955 crop, if such producers used the entire crop produced on the farm for seed or feed on the farm. This amendment would be retroactive to forgive claims for marketing penalties under the 1955 crop. A provision similar to this one was included in the Senate amendment to H. R. 12, but was rejected in conference.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ALLOTT. As I understand, the farmer would still have to comply with his allotments, if any.

Mr. ELLENDER. Yes; in order to receive price support.

Mr. ALLOTT. This amendment would apply only to the surplus stored on the farm.

Mr. ELLENDER. It would apply only where the entire wheat production was used on the farm for feed or seed.

Mr. ALLOTT. I wish to associate myself with the remarks of the Senator from Louisiana and the Senator from Minnesota. I think the provisions of this amendment should be adopted.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, on behalf of my colleague [Mr. FULBRIGHT] any myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The CHIEF CLERK. On page 34, between lines 4 and 5, it is proposed to insert the following:

SALES OF RICE UNDER PUBLIC LAW 480

SEC. 204. (a) Section 101 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof the following: "The President shall exert every effort to consummate agreements with oriental countries under this session for the sale of rice so long as rice remains a surplus agricultural commodity."

(b) Section 108 of such act is amended by adding at the end thereof the following: "Each such report shall fully describe negotiations for agreements for the sale of rice which have occurred since the last purchase report, and no offer by any country to enter into an agreement for the purchase of rice under this title shall be rejected until the details of such offer shall have been reported to Congress."

Mr. McCLELLAN. Mr. President, the amendment which I have just offered on behalf of my colleague and myself would merely require the President to make every effort, under section 101 of Public Law 480, to consummate agreements with oriental countries for the sale of surplus rice for foreign currency.

Section 101 of Public Law 480 authorizes the Secretary to enter into such agreements. This amendment would urge him to do so. It is our understanding that the State Department is currently holding up such an agreement, and this amendment would encourage prompt consideration of that agreement.

I have been asked whether it is mandatory. It is not mandatory. It is merely an expression of urgency in an effort to try to consummate these agreements. The amendment would also require the President to include in his reports to Congress the facts concerning negotiations for agreements for the sale of rice, and to withhold the rejection of any country's offer to purchase rice until the details of such offer could be reported to Congress. I trust the amendment will be accepted. I have made the explanation of it according to the information I have received from the committee as to what the effect of the amendment will be.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ALLOTT. Without any commitment as to my position on the amendment, I should like to invite the Senator's attention to the last page of the amendment on page 2, starting in line 2, apparently something has been omitted, because the last sentence does not make sense as it now reads. It reads: "and no offer by any country shall enter into an agreement for the purchase of rice," and so forth. An offer cannot enter into an agreement.

Mr. McCLELLAN. I believe that should refer to a country entering into an agreement. I ask unanimous consent to strike out the word "shall" in line 3 of page 2 of the amendment, and to substitute the word "to." That part of the sentence would then read: "and no

offer by any country to enter into an agreement for the purchase of rice under this bill shall be rejected," and so forth. I so modify my amendment, Mr. President.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

Mr. ELLENDER. Mr. President, I should like to ask a question of the distinguished Senator from Arkansas. Am I to understand that under the proposed section 204 (b) any agreement entered into between the President and any foreign government would have to be submitted to Congress, and no action could be taken on it unless Congress passed upon it?

Mr. McCLELLAN. No; that is not correct. It provides that each report the President submits in connection with the negotiations shall describe the negotiations for agreements, and no offer by any country to enter into an agreement shall be rejected until the details of the offer shall have been reported to Congress.

Mr. ELLENDER. Does that not in effect give Congress the veto power in such negotiations?

Mr. McCLELLAN. No; it does not give any veto power to Congress. The power to reject is still vested where it is now, except that the details of an offer shall be reported to Congress, so that Congress may have information about the offer. Congress cannot veto it. It only gets a report.

Mr. ELLENDER. But it would give the Congress an opportunity to take legislative action, if it thought that necessary. I wonder whether the Senator would be willing to modify his amendment to make it more or less a directive to the President to dispose of this rice, and to strike out section 204 (b). I am afraid it might cause difficulty in the House, thus raising the possibility of delay in enacting farm legislation.

Mr. McCLELLAN. I may say to the distinguished Senator that the amendment as proposed, in subsection "a", makes it an urgent request to the President.

Mr. ELLENDER. I understand there is not much objection to that part of the amendment, but subsection "b" is the one to which I have heard determined opposition expressed.

Mr. McCLELLAN. I ask my good friend to take the amendment to conference and there give it further study.

Mr. ELLENDER. We are hopeful that it may not be necessary to have a conference on the bill, so that it may be enacted promptly without too much delay. That is the primary reason I ask the Senator to delete the second paragraph.

Mr. McCLELLAN. I will say to my good friend that that is a very optimistic hope.

Mr. ELLENDER. That may be; but it is possible that the bill may be enacted without a conference. If the Senator will simply make his amendment a directive to the President to make every effort he can to sell the surplus rice, and eliminate section 204 (b) I believe he would increase the possibility of the bill not having to get conference.

Personally, I am in full accord with the Senator's view that as much rice as can be sold abroad should be sold. I think the administration has been dragging its feet in this matter, but—in all due regard to the Senator—I urge him to modify his amendment so as to increase the possibility of this bill not having to be sent to conference.

Mr. McCLELLAN. Of course, I wish to cooperate. I know the Senator is aware of that fact. If he believes the bill will not go to conference, and if he believes it will help to get the bill through if I modify the amendment, of course I shall be happy to modify it. I am sure the Senator knows the conditions with respect to our rice surplus and how they have been aggravated, and the urgent necessity of trying to dispose of the surplus.

We have seen instances in connection with amendments to the bill of a department of Government apparently pretty well dictating the policies of this country with respect to foreign trade. I have had a little experience along that line recently in the course of my committee's investigations. I should like to have Congress make some expression in this regard, and I hope the Senator will take the amendment to conference.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HICKENLOOPER. Did I understand the Senator to modify his amendment with respect to subsection (b)?

Mr. McCLELLAN. No; I have not modified it as yet in that regard. I pointed out that the provision is not mandatory. I said that Congress does not have a veto power under that subsection.

Mr. HICKENLOOPER. I shall wish to say something about that point a little later. However I suggest that beginning in line 4 on page 1 the Senator amend the sentence so to provide that the President shall exert every reasonable and proper effort, instead of the present language. The words "shall exert every effort" are rather inclusive and mandatory. It would seem to me that the President, under that language, would have to employ the whole machinery of Government if he were to make every effort. It would appear to me that every possible effort would encompass every phase of the Government.

Mr. McCLELLAN. I believe that in the accepted use the term "every effort" it is understood that the purpose is to urge the President to make every reasonable effort, of course.

Mr. HICKENLOOPER. If the Senator were to provide that the President shall make every reasonable effort, that would be all right, I believe.

Mr. McCLELLAN. I should think the words there would have that connotation. There is no other intention of course.

Mr. HICKENLOOPER. The words in the language now in the amendment are subject to the interpretation I have suggested.

Mr. McCLELLAN. If the Senator from Iowa would agree to the amendment with that modification, I would have no objection to modifying the lan-

guage to read that the President shall make every reasonable and proper effort in that connection.

Mr. HICKENLOOPER. I believe that that comes very much closer to what I consider the Senator's intention to be.

Mr. McCLELLAN. Of course, the President does not have to make other than a reasonable and proper effort. That seems to be implied.

Mr. HICKENLOOPER. I wish to discuss the latter part of the amendment also.

Mr. McCLELLAN. Then I shall wait with my modification until the Senator has made his remarks.

Mr. AIKEN. I do not believe that the Senate should accept this amendment. It directs the President to do what the Secretary of Agriculture is already doing. This spring we sold about 10 million hundredweight of rice to Indonesia and Pakistan. There is a report current that India is in the market for a great deal of rice. I do not understand that to be the fact. I understand that India is in the market for other commodities, but that it can purchase rice from neighboring Asian countries.

Mr. LANGER. Our Ambassador to India, Mr. Cooper, said that India is in the market for wheat and cotton.

Mr. AIKEN. Yes; for wheat and cotton, and also for dairy products. I believe some people have the mistaken idea that we can sell India some rice, when, as a matter of fact, if I am correctly informed, the Indians do not want to buy our rice, but want to trade with the neighboring countries of Burma and Thailand in order to get their rice.

Furthermore, Mr. President, the second part of the amendment, stating that no offer by any country shall be rejected until the details of such offer shall have been reported to Congress, makes Congress the arbiter of every proposed deal where there may be a little difference of opinion as to the price.

I do not believe Congress wants to make the determination of whether an offer for the purchase of rice from some Asiatic country, which might involve a great many technical details, shall be accepted or not. I do not believe we want to place Congress in that position.

Why should we instruct the Secretary to do what he is already doing? He sold almost all the rice the Commodity Credit Corporation had, until the receipt of the new crop.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. ANDERSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. Sales of rice to oriental countries have to be made under one section of an act. Suppose someone offered cash? I do not quite understand the purpose of the amendment. It provides clearly that it must be done under the soft-currency section of the trade act. I do not understand it Mr. President.

Can the Senator from Arkansas explain to me why we want to bar a coun-

try from paying us dollars, if it can do so?

Mr. McCLELLAN. Mr. President, we do not bar them any more than we did in the original act. It is in furtherance of the policy in the original act.

Mr. ANDERSON. But the President is supposed to exercise every effort—

Mr. McCLELLAN. To carry out the policy set forth in the original act.

Mr. ANDERSON. But the particular section of the act to which the Senator has reference provides for soft-currency sales. Why do we want to do it under that section in preference to sales for dollars or sterling?

Mr. McCLELLAN. That is a part of the policy of the act to which this is an amendment. The act declared it to be the policy of Congress to expand international trade between the United States and friendly nations and facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, and to make maximum use of surplus agricultural commodities in furtherance of the foreign policy of the United States; also to stimulate and to facilitate the expansion of foreign trade in agricultural commodities produced by the United States by providing means whereby such surplus agricultural commodities in excess of the usual marketing of such commodities may be sold through private trade channels and foreign currency accepted in payment.

Mr. ANDERSON. This is the soft-currency section of the trade act. Suppose someone wanted to buy some commodity for hard currency.

Mr. McCLELLAN. There is nothing to prevent selling for cash. The original act does not say that a sale cannot be made for American dollars.

Mr. ANDERSON. It provides for soft currency or giveaways.

Mr. McCLELLAN. Where we cannot sell for cash. That is the whole purpose of it. We can sell for American dollars, but the purpose is to try to get rid of the surplus, and, in this instance, to get rid of it for soft currency if we cannot get rid of it otherwise.

Mr. ANDERSON. If it said "If we cannot get hard currency"—

Mr. McCLELLAN. This does not say that.

Mr. ANDERSON. It says:

The President shall exert every effort to consummate agreements.

Under this section—

Mr. McCLELLAN. Section 101.

Mr. ANDERSON. That is the soft currency section.

Mr. McCLELLAN. That is correct.

Mr. ANDERSON. But, why?

Mr. McCLELLAN. Because he will not be able to get rid of the surplus for hard currency.

Mr. HICKENLOOPER. Mr. President, does the Senator from Arkansas modify his amendment as suggested a few moments ago?

Mr. McCLELLAN. Mr. President, I am willing to modify it if I know the amendment will be accepted. I do not like to eliminate anything unless I receive something in return.

Mr. President, I am perfectly willing to offer the modification. I think the first part of the amendment should be modified by inserting in line 5, after the word "every" the words "reasonable and proper."

I think that is a proper modification. I hope the amendment will be accepted.

I further modify the amendment, Mr. President, by withdrawing subsection (b). With those modifications, Mr. President, I trust the amendment will be accepted.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Arkansas. [Putting the question.]

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested.

On a division, the amendment was rejected.

Mr. CHAVEZ. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 49, between lines 8 and 9, it is proposed to insert the following:

VIRGINIA AND VALENCIA-TYPE PEANUTS

SEC. 408. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows: "The Secretary is authorized and directed to increase the allotment for any State producing Valencia- or Virginia-type peanuts upon the written request of one or more processors within such State if such processors provide the Secretary with such assurances as he may deem necessary that the peanuts produced on the additional acreage requested will be purchased by such processor or processors at not less than the parity price."

Mr. CHAVEZ. Mr. President, an amendment similar to this was adopted by the Senate when the last farm bill was passed. It has for its purpose protecting the acreage of those States—and there are about 10 of them—which have less than 10,000 acres of peanuts in production. They are States like New Mexico, Texas, and even Virginia.

This type of peanut is very limited in its acreage. The amendment provides that the acreage which those States now have shall not be reduced any further. It used to be that New Mexico had as much as 12,000 acres. Now it has 5,600 acres. We should like to have the amendment agreed to because we want to protect the 5,600 acres.

I hope the chairman of the committee will take the amendment to conference.

Mr. ELLENDER. Mr. President, an amendment similar to the amendment which has been offered by the distinguished Senator from New Mexico was adopted by the Senate and made a part of H. R. 12, but it was eliminated in conference. A while ago, the Senator from New Mexico spoke to me about the amendment. I told him that the House conferees were against this provision, but that so far as I was concerned I would leave the question to the Senate. I doubt, however, that the amendment could be retained in conference, if we have a conference.

Mr. CHAVEZ. I know the Senator from Louisiana will do his utmost on behalf of the amendment. That is all I can expect.

Mr. ELLENDER. There has been a widespread expression of opinion by many Senators that the bill should not be overloaded with amendments, so as to perhaps avoid the necessity of a conference.

Mr. CHAVEZ. I think the protection of 5,600 acres of peanuts in my State is extremely important.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back the remainder of his time?

Mr. CHAVEZ. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated "5-17-56—J" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 56, beginning with line 16, it is proposed to strike out down to line 8 on page 58.

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 8 minutes.

The amendment strikes out all of section 402 of H. R. 10875, relating to "Forest products; price reporting; research."

Section 402 would authorize the Secretary of Agriculture to:

First. Establish a system of price reporting in the marketing of such products;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

Mr. President, the authorization to do all of these things has been in the hands of the Secretary of Agriculture for more than 25 years. Making it compulsory that these things be done will require thousands of woodlot and forest owners, loggers, and forest mills to file a set of Government reports at least four times a year.

In my remarks made on the floor on March 15, 1956, I included a list of current sources of information on this subject. I shall not take the time of the Senate to read those sources now, but I

refer Senators to page 4818 through page 4823 of the RECORD of that date.

Mr. President, I ask unanimous consent that for the convenience of the Senate the discussion of the amendment appearing on those pages of the RECORD may be printed at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated 3-7-56-N, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Pennsylvania.

The LEGISLATIVE CLERK. On page 48, beginning with line 3, it is proposed to strike out over through line 20 on page 49, as follows:

"FOREST PRODUCTS; PRICE REPORTING; RESEARCH

"SEC. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

"(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

"(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

"(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

"(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

"(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary."

Mr. MARTIN of Pennsylvania. Mr. President, I suggest, if it be possible to do so, that the junior Senator from Minnesota [Mr. HUMPHREY] be notified that my amendment is under consideration, because I know he is interested in opposing the amendment.

The PRESIDING OFFICER. The junior Senator from Minnesota will be so notified.

Mr. ELLENDER. I have sent for him.

The PRESIDING OFFICER. How much time does the Senator from Pennsylvania yield to himself?

Mr. MARTIN of Pennsylvania. I yield myself 15 minutes, although I do not think I will require that amount of time.

Mr. President, this amendment proposes to strike out all of section 602 of S. 3183, entitled "Forest Products; Price Reporting; Research."

Section 602 would authorize the Secretary of Agriculture to—

First. Establish a system of price reporting on forest products and sales of standing timber;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

I oppose this section for two very fundamental reasons:

First, because none of these proposals will provide any immediate or long-term benefits to farmers.

Second, because section 602 is unnecessary, as Congress has already given the Secretary of Agriculture authority to perform the work provided in this section.

The Secretary of Agriculture has had this authority for years—in the Organic Act of the Department of Agriculture of 1862, in the McSweeney-McNary Forest Research Act of 1928, and the Research and Marketing Act of 1946. Section 602 implies that farmers and other sellers of forest products cannot get prices or price information on forestry products. This is not the case.

Many States already provide information on markets and prices for forest products. For the other States there is ample authority for cooperative agreements between such foresters and the Secretary of Agriculture to provide needed information.

Economic information regarding forest products, and research to develop methods for accumulating market information, is already being done. There is no useful purpose for duplicating authority or by compelling the Secretary of Agriculture to act when a more efficient action is being and can be taken by the States, in cooperation with the Secretary of Agriculture, if the States so desire.

I have in my hand more than two dozen references to reports and publications which represent a small sample of the coverage of this field.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, a listing of these publications and sources of information on the prices of forest products.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

"LISTING OF SOURCES OF INFORMATION ON FOREST PRODUCTS PRICES

"From the forest products industry

"1. All farmers or other sellers of forest products may at any time learn the prices offered for forest products which they have to sell from any buyer, dealer, pulp mill, sawmill, or other user of forest products if the latter is in the market and within an economical shipping range. Many mills post their prices in newspapers, magazines, over the radio, mail out notices periodically, and otherwise make known to all who might be interested in their prices, specifications and needs as to volumes of forest products.

"2. Prices for pulpwood, logs, and lumber are from time to time published in industrial trade journals which reach in turn many branches of the United States Forest Service, and State forestry and extension services who have various publications or means of getting this information to farmers and other sellers of forest products.

"3. Examples of articles or tables of prices printed in trade journals are as follows:

"A. Page 98, Pulp and Paper magazine, May 1955; Pulpwood Prices in Lower Columbia River Area; Pulpwood Prices in Lake States; Trends in Prices of Southeast Pine.

"B. Page 172, the Lumberman, 1955 Forest Industries Yearbook number; Volume and

Value of Timber Cut, According to Product, Southern Forest Region, July 1, 1953, to June 30, 1954. Page 173, Volume and Value of National Forest Timber Cut, 1905-54. Page 176, Comparison of Average Stumpage Prices, 1954, Forest Service Region 6; Volume and Value of Timber Cut From Department of Interior Lands. Page 178, Comparison of Average Appraised and Bid Prices for Major Species, Region 5; Comparison of Average Stumpage Prices, 1954, Forest Service Region 1. Page 179, Comparison of Stumpage Prices, Eastern Forest Service Region, 1954.

"Page 180, Average Stumpage Prices, Southwest Forest Region, 1954. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine timber included together). Page 184, Comparison of Average Stumpage Prices, 1954, Forest Service Region 3; Comparison of Average Stumpage Prices, 1954, Forest Service Region 4. Page 183, Southern Pine Stumpage Prices, 1953-54, for Forest Service Region 8 (all species of southern pine timber included together).

"C. From compilations of Southern Pine Association, New Orleans, La. (source: U. S. Forest Service, Atlanta, Ga.); Southern Pine Stumpage Costs Based on National Forest Timber Sales—1953.

"D. Page 98, the Timberman, February 1956, Log Prices Hold at Previous Levels.

"E. Pages 134-135, the Lumberman, September 1955; Log and Lumber Prices.

"From extension foresters, State forestry colleges or departments

"All State extension forestry departments, State forestry departments, forestry and agricultural schools and colleges have some of the most significant data on hand concerning prices of forest products or are in a position to advise farmers how to get prices. Some States issue periodic reports or occasional bulletins in this field, such as—

"A. Wisconsin Forest Products Price Review; compiled in the extension forestry office, College of Agriculture, University of Wisconsin, under the supervision of Fred B. Trenk, extension forester, the district foresters of the Wisconsin Conservation Department, and the wood-using industries cooperating.

"B. Forest Market Report, 1952; extension service in agriculture and home economics, University of New Hampshire, in cooperation with the State forestry and recreation commission.

"C. Marketing Woodlot Products in the State of Washington; institute of forest products, department of conservation and development, 303 Anderson Hall, University of Washington, Seattle, Wash.; Bulletin No. 15, 1954.

"The United States forest experiment stations are constantly making studies, doing research and issuing reports, notes, and advice to farmers and other forest owners. Examples of some of their work in this field are:

"A. Southeastern Forest Experiment Station, Asheville, N. C.; Trends in the Price of Southeastern Pine Pulpwood, 1938-52.

"B. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 57, Pine Sawtimber Stumpage Prices in South Carolina, 1948-54.

"C. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 43, Pine Sawmilling Costs by Log Size.

"D. Pulpwood and Log Production Costs in 1945 as Compared With 1940; R. P. Reynolds, forest economist, Southern Forest Experiment Station.

"E. Pulpwood Production Costs in Southeast Arkansas, 1950; Southern Forest Experiment Station.

"F. Cost of Producing Pulpwood on Farm Woodlands of the Upper Connecticut River Valley, United States Department of Agriculture, Northeastern Forest Experiment Station, Yale University.

*"From United States Forest Service,  
Washington, D. C.*

"For years the United States Forest Service has been making special studies and issuing technical bulletins such as TB No. 626, Stumpage Prices of Privately Owned Timber in the United States (July 1938).

"It used to issue each year a statistical bulletin entitled 'Stumpage and Log Prices.' These were compiled from questionnaires sent to thousands of buyers of forest products and worked in cooperation with the Bureau of the Census. This series came out annually from 1928 to 1948 except for a few years. The service still collects information of this type quarterly but it no longer publishes these bulletins which could in the past be obtained free or at a nominal charge by farmers or others interested. The service does not need any authorization to publish these bulletins, and should resume this service to tree farmers, foresters, and all buyers and sellers of forest products.

*"From United States Bureau of the Census*

"Some figures on the prices paid or costs of pulpwood, sawlogs, and other forest products are collected and issued periodically in the United States Census of Manufacturers. These figures are, of course, available to all the previously listed sources of information that are in a position to get this to tree farmers, foresters, and others concerned."

Mr. MARTIN of Pennsylvania. Mr. President, the essentials of section 602 were contained in S. 2105, a bill introduced by my distinguished colleagues, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Alabama [Mr. SPARKMAN], in the first session of this Congress. Without public hearings having been held, we now find the terms of S. 2105 appearing as section 602 of S. 3183.

I am sure the matter was discussed in committee, but those who would object to section 602 have not been given an opportunity to be heard.

It is strongly suggested that the purpose of section 602 (d), calling for a study, is a prelude to "recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices on such products."

Mr. President, we are all interested in farm legislation, and we should concentrate on a solution of the problem of farm products prices and the increasing farm surpluses. I am opposed to extending this to forest products.

I realize that the reference to parity prices is not in section 602 now, but the study contemplated is still called for.

We should see that this proposal, involving additional Federal expenditures and costly, unnecessary reports, in a field that has little bearing on the farm problem, should have a full and complete hearing.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I understand the Senator to say the text of S. 2105 was in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. Yes. I think that is correct.

Mr. ANDERSON. Is the Senator aware that S. 2105 was very drastically changed by the Committee on Agriculture and Forestry, and that what the Senator has been talking about is something that is not in that bill?

Mr. MARTIN of Pennsylvania. I beg to disagree with the distinguished Senator from New Mexico. It does call for making these reports.

Mr. ANDERSON. What is wrong with the making of a report?

Mr. MARTIN of Pennsylvania. Referring to my own State, half of Pennsylvania is covered with woodland. Owners are now cutting second growth timber for pulpwood and chemical wood, and those small owners do

not want to be worried with having to make these quarterly reports.

Mr. ANDERSON. The Secretary is the one who is going to make the reports, is he not?

Mr. MARTIN of Pennsylvania. How will he get the information if he does not get it from the owners?

Mr. ANDERSON. Subsection (d) of section 602 of the bill provides:

"The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products and within 2 years thereafter he shall report thereon to the Congress."

Does the Senator object to that?

Mr. MARTIN of Pennsylvania. Mr. President, I have great confidence in the Senator from New Mexico, but I do not see how the making of such reports would be of any advantage to the owners of these small tracts of woodland which exist in many places in the United States. That is becoming quite an industry. In my own State farmers farm their land during the agricultural season, and in the wintertime they cut timber for pulpwood and chemical wood. It used to be done for pit posts, but such use has been supplanted by steel. I think the making of the reports is an unnecessary expense to such owners. I do not see how it will be of any advantage, as far as the farm bill is concerned.

Mr. ANDERSON. May I say to the able Senator that timber is still a crop in many areas, and, therefore, is part of a farm bill. The committee from which the bill has been reported is the Senate Committee on Agriculture and Forestry, and it seems to me that forestry is a part of the activities of the committee and that it belongs in a farm bill.

I believe what the Senator has been objecting to is something that was in S. 2105, but it was eliminated from the bill when it was before the Committee on Agriculture and Forestry. I have in my hand a copy of S. 2105, which the Senator has the privilege to examine, if he wishes. The language in it was that the Secretary of Agriculture should collect all that information, and make his recommendations as to an appropriate formula for the establishment of parity prices for such products.

That is what stirred up all the protests from the sawmill operators, but when the language was changed by the Committee on Agriculture and Forestry so it bore no relationship to that, I understand all those people withdrew their opposition to it.

I am not sure the Senator from Pennsylvania has the latest information on the bill, because when we eliminated the provision requiring the persons affected to submit a report, the forest people agreed to it. I know the able chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] had protests from his State, but when the forest people found out that language had been eliminated, they agreed that the bill was satisfactory.

I wondered if there are operators in Pennsylvania who object to the Secretary of Agriculture's making the report. We have taken out of the language the provision that the sawmill operators, generally speaking, objected to, and that was arriving at a parity formula.

Mr. MARTIN of Pennsylvania. I agree fully that this is a matter for the Committee on Agriculture and Forestry, because forestry, particularly what we in our State call small woodlots, is a very important segment of agriculture. In my own State there is a payroll in the forestry industry which amounts to about a half million dollars. It has really become a big business. As I stated a moment ago, half of Pennsylvania is covered with woodland. With the exception of probably 10,000 acres, the timber is all second growth. Our people feel this is just a step for requiring a quarterly forestry report, which will require a great deal of effort. Farm people

do not have the clerical help to make reports of this kind.

In addition to that, it seems to me it involves an additional expense. It probably means that the Secretary of Agriculture will have to have a payroll for additional employees.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. I think my good friend, the Senator from Pennsylvania, has already made the point that—as has already been pointed out—the language to which we are now referring is not the language of the bill (S. 2105), to which there was objection. Instead, the Senator from Pennsylvania is speaking of the fear that these farmers will have to do considerable clerical work in making the reports.

However, if the Senator from Pennsylvania will note subsections (b), (c), and (e) of section 602 of Senate bill 3183, the pending bill, as those subsections appear on pages 48 and 49, he will note in subsection (b) a provision that—

"The price supports made by the Secretary \* \* \* shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate—"

And so forth. Then in subsection (c), we find that—

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

So the entire purpose here is, as has been stated by the Senator from Pennsylvania in the course of his own argument, to provide to the very large number of small-timber farmers, accurate economic and statistical information in regard to current price trends. Throughout the Nation there are thousands and thousands of timber farmers who have no means at all of knowing what the overall market price for various types of timber is unless they obtain that information from the large timber companies. It seems to me that when statistical information is being presented by the Department of Agriculture in regard to practically every commodity one can think of, except timber—

The PRESIDING OFFICER. The 15 minutes yielded to himself by the Senator from Pennsylvania have expired.

Mr. HUMPHREY. Mr. President, will the chairman of the committee yield some time to me?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Louisiana.

Mr. President, it appears that, because of the very lack of such information, there is need for the compilation of such statistical and economic reports.

The language of Senate bill 2105, to which there was some objection, required that the Secretary set up a formula for a parity-price structure. But that language has been stricken from the pending bill, Senate bill 3183.

The only purpose at all in this case is to give timber farmers a chance to market their products under conditions under which they will know what the going market price is, rather than to have to have the big lumber companies say to them, "This is the price." No one in the world would want to operate on such a basis. The Department of Agriculture, the Department of Labor, and the

Department of Commerce prepare statistical material on practically every conceivable subject, save timber.

Mr. FLANDERS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. FLANDERS. The Senator from Pennsylvania has described a forest situation which seems to me to be almost a duplicate of that existing in my own State.

What I do not understand is why that is not an argument for having price reports from the Department of Agriculture, for somewhat the reasons as those stated by the Senator from Minnesota. I do not know what the purchasers of lumber in my State think about the matter; but I feel very safe in saying that the producers of lumber from small tracts would strongly welcome such price reports, and would be grateful for them.

I hope we shall not make it impossible for them to take advantage of such reports.

Mr. MARTIN of Pennsylvania. In answer to the distinguished Senator from Vermont, let me say that before he entered the Chamber, I submitted a long list of places in various parts of the United States where that information can be obtained. I have not received any complaint from a single small woodlot owner in my State that he has not been able to secure this information. But I have received a considerable number of complaints that they are fearful that they may be required to make quarterly reports, and that this provision will be the first step in requiring them to do so.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. In view of the market quotations the Department of Agriculture issues on milk products, on cereal grains, and fruits and vegetables, and on practically every other commodity one can think of, I think it is fair to say that the farmers themselves are not required to make quarterly reports.

Generally, there is cooperation by the local State marketing services, along with whatever Federal agencies may be operating in the area—and with all of them directing their activities to the study of these particular commodities, and working in cooperation with the Department of Agriculture. I know that is the situation in our State, and I am sure it must be a rather universal situation—namely, that a State agency works with the Federal agency, in connection with these marketing reports.

Mr. AIKEN. Oh, yes. So far as I know, all the State agencies favor the issuance of this information. As I understand, the Forest Service now has authority to issue most of the reports contemplated by the section, but it never has had appropriations with which to do the work.

The original proposal of the Senator from Minnesota contained a proviso for establishing parity prices for forest products. I think it would be almost impossible to do so, because 1 stand of timber might be worth \$25 a thousand, and an identical stand only a mile away might not be worth \$10 a thousand on the stump, because of the terrain.

Mr. HUMPHREY. As in the case of many proposals, when we get them under the light of examination, we find their weaknesses.

Mr. AIKEN. Yes.

Mr. HUMPHREY. "So we withdrew that provision; and the bill does not now contain any direction at all for the establishment of parity prices for forest products. But the bill does contain a direction for the issuance of marketing reports, in the provision on page 49 that—

"The Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting

and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes more.

Mr. HUMPHREY. Mr. President, I merely say that we are here dealing with two features of the bill. One of them calls for the preparation and issuance of marketing reports; the other relates to the stimulation of research and investigation—and I now read from the provision—"to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting, and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

It seems to me that part of the bill has great economic value.

Mr. ELLENDER. The Senator from Minnesota is referring to section 601 and section 602 of the bill, in title VI, beginning on page 46—the section relating to reforestation programs, is he not?

Mr. HUMPHREY. That is correct. That is the proposal the Senator from Vermont sponsored—a proposal which I believe is long overdue; and I believe it may amount to one of the greatest advances in forestry that has been made in years. I refer particularly to section 602, under the heading "Forest Products; Price Reporting; Research." It deals with the marketing of forest products.

Mr. MARTIN of Pennsylvania. My amendment proposes that all of section 602 be stricken from the bill.

Mr. HUMPHREY. Mr. President, the Senator from Pennsylvania and I have had some personal conversations about this subject.

Let me say, in passing, that I have just left the Senate restaurant, to return to the floor; and I left at my table in the restaurant a platter of wonderful roast beef. It is unfortunate to have to do that.

Mr. MARTIN of Pennsylvania. I am very sorry that occurred.

Mr. HUMPHREY. However, let me say that I think the Senator from Pennsylvania and I understand each other's positions now, particularly in light of the original proposal contained in Senate bill 2105, requiring the Secretary to set up a formula for a parity price structure. That provision of Senate bill 2105 has been deleted from the bill which now is before us; but the pending bill—S. 3183—still contains the provisions to which we have just referred, namely, those dealing with price reporting and research in the case of forest products.

I have received telegrams and letters on that subject; and I have replied that the language calling for a formula for a parity-price structure for forest products has been eliminated from this bill, and that in the pending bill we have included provision for the minimum which should be done, namely, bringing up to date the reporting services of the Department of Agriculture. I hope that provision will be left in the bill.

Mr. MARTIN of Pennsylvania. Mr. President, I may say that the principal objection I have received to this part of the bill comes from our Pennsylvania Department of Forests and Waters. It claims that it already is giving this kind of service; and it says that this section of the bill will call for a duplication and for an additional payroll on the part of the Federal Government which will be unnecessary.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I correctly understand the Senator from Pennsylvania to say that the Pennsylvania Department of Forests and Waters has been making a study of price trends and relationships for basic forest products, such as is mentioned in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. That is correct.

Mr. ANDERSON. Has that department published anything on that subject?

Mr. MARTIN of Pennsylvania. It has issued bulletins; and any citizen of the Commonwealth has a right to get in touch with our department of forests and waters. That department has been doing this work for several years.

Mr. ANDERSON. It has been issuing reports on price trends?

Mr. MARTIN of Pennsylvania. It studies all such matters, including the matter of additional output for forest products.

Mr. ANDERSON. Does the Senator from Pennsylvania happen to have one of that department's reports with him?

Mr. MARTIN of Pennsylvania. I do not, I am sorry to say.

Mr. ANDERSON. It has been a well-kept secret.

Mr. MARTIN of Pennsylvania. It has not been in Pennsylvania.

Mr. COTTON. Mr. President, will the gentleman from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 5 additional minutes.

I now yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I wish to say to the Senator from Pennsylvania that I desire to associate myself with him, in support of his amendment.

In my State we have a pulp and paper industry which has been struggling to hold its own for a long period of time. If section 602 means anything, if it has any force or effect, it will lead to the establishment of the kind of reporting service and the kind of investigation service which will mean the requirement of reports and statistics to satisfy every snooper who comes along to get statistics on everybody's business.

My people are extremely apprehensive, not with respect to what section 602 provides on the face of it today, in this measure, but what it may lead to. If it is as innocuous as I am sure it is believed by its proponents to be, the service and the information can readily be obtained by the Department of Agriculture without the authority proposed to be written into this farm bill. If it has any force or effect, it may lead to all kinds of reports.

My people would have desired to appear before the committee with regard to this section if they had been given the opportunity. While I am sure that this provision was placed in the bill with perfectly good intent, I must commend the Senator from Pennsylvania for his amendment.

I think section 601 is thoroughly justified. In view of the fact that section 602 was not placed in the bill as the result of hearings, and in view of what it may lead to, I think section 602 could well be deleted without unduly weakening the effect of the bill.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield so that I may ask the Senator from New Hampshire a question?

Mr. MARTIN of Pennsylvania. I yield to the Senator from New Mexico.

Mr. ANDERSON. Section 601 was also placed in the bill without hearings. Would not the Senator like to strike that too?

Mr. COTTON. No.

Mr. ANDERSON. That gives the State something.

Mr. COTTON. If something good is in the bill without hearings, I am for it. But if I am afraid of something in the bill, which has been placed there without hearings, I am against it.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, with regard to the local sentiment with respect to the proposed operation, I think I can say confidently to the Senator from Pennsylvania that my own people in the State of Vermont have become increasingly interested in obtaining a better commercial return from their hardwoods. They have just awakened to the fact that they live in one of the finest hardwood producing regions in the country, and that they have never been accustomed to making a business out of the exploitation of those hardwoods. From conversations and correspondence which I have had, not directly with relation to section 602, but with relation to the problem of getting a substantial return from one great natural resource, I feel safe in saying that the people of our State would be thoroughly in favor of section 602.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator from Louisiana has 20 minutes.

Mr. ELLENDER. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I merely wish to invite the attention of the Senator from New Hampshire [Mr. COTTON] to the fact that under the terms of the bill the Secretary is not only authorized to establish a price reporting service for basic forest products, but he is directed to do so.

The opposition which I have encountered with respect to this section comes from the lumber companies. I have received several letters and telegrams from that source. Some of the largest timber and lumber firms in America have their headquarters or their bases of operations in the State of Minnesota. I regret that they have not shown an interest in this reporting service, but I also say that the small timber farmer, who is an important part of the agricultural economy, is entitled to fair, prompt, accurate, economic information as to his market prices. Today he is at the mercy of the purchaser, who will tell him what the price is, without any comparison whatever as to what is going on in other areas or other regions. It is not right.

The only purpose of this section is to bring economic information, on an area and regional basis, to the attention of the timber farmers, so that they can see whether or not they are getting a fair price for their commodity. It is strictly an informational service.

When we look at the basic law of the Department, we find that when the Department was established the first thing the Secretary was directed to do was to supply and disseminate information. In this particular section the single purpose, with the exception of improving the research in respect to the marketing of timber products, which surely is a desirable effect, is to see to it that information relating to quality and price of timber products, and all forms of forest products, is made available to the producers.

While I do not wish to pit one area against another, the commissioner of conservation in our State, and the State Forestry Service, have advised me this week that they are in support of a price-reporting system.

We have 22 million acres of forest land in the State of Minnesota, 11 million acres under State and Federal jurisdiction, and 11 million acres privately owned. That seems to me to be a substantial amount of territory.

If I thought this section would accomplish anything more than the provision of economic information, I would say that it would merit prolonged consideration. But why deny to one group in our economy information which another group receives? We have a Securities and Exchange Commission demanding information with respect to stocks and bonds—information as to price, and all other factors relating to stock certificates. Such information is made available to the public. That is a Government operation.

We have a Bureau of Labor Statistics, furnishing information with regard to labor problems.

We have a Bureau of Agricultural Economics, and a Marketing Service for agriculture. However, strange as it may seem, we have no information on forest products, yet forest products represent one of the great assets in the agricultural economy.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COTTON. If the Secretary is to have the authority, and is to be instructed to obtain this information, how does the Senator understand he is to obtain the information?

Mr. HUMPHREY. The language in subsection (c) is as follows:

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

The Secretary may seek the cooperation of State agencies and private groups, large holders of timber, and conservation groups. He may use such sources of information as he chooses, with respect to any marketing condition.

Mr. COTTON. Which impression does the Senator wish to leave in the RECORD—that the Secretary will require the information, or seek it?

Mr. HUMPHREY. He is authorized to cooperate with State foresters. That is the language of the subsection.

Mr. COTTON. I assure the Senator that I am asking these questions for information, and not to be argumentative.

Does this section contemplate giving the Secretary authority to require from private industries periodic reports, statistics, and information about their business?

Mr. HUMPHREY. Mr. President, the language says:

"The Secretary is authorized to cooperate with the State foresters and other appropriate State officials or agencies as well as with private agencies, and under such conditions and terms as he may deem appropriate."

Mr. COTTON. May we understand—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Minnesota.

Mr. COTTON. May we understand, and may the RECORD so show, that it is not the intention of Congress in enacting section 602 to give the Secretary of Agriculture or anyone else authority arbitrarily to force private operators to make reports on their business.

Mr. HUMPHREY. I would not want to say that. I do not know whether the Secretary would find it necessary to do so.

Mr. ANDERSON. Mr. President, I believe I can answer that question. Perhaps I can be helpful to the Senator from New Hampshire on that point.

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. At the present time the Secretary of Agriculture has a right to gather current information on the markets and the prices of wheat. That does not give the Secretary authority to go to the Pillsbury

Mills and say to them, "I want to know exactly how much money you are making every day of the year."

That is not the intention of the provision. It should be remembered that farm forests are becoming extremely important in this country. In great areas of the South efforts have been made recently by hundreds of people to retire some land and put it into slash pine. We are short of newsprint and other types of paper.

I believe it would be very helpful if we could get more information about that. The enactment of the provision would provide current information on markets and prices, and would aid in the more efficient marketing of farm products.

Mr. COTTON. If the section referred to becomes law, is the information, so far as private operations are concerned, to be furnished on a voluntary basis, or is it to be on a compulsory basis?

Mr. HUMPHREY. I am sure it is purely voluntary. It would be a request by the Secretary of Agriculture. He can make the request, but there is no language in the provision which says that he can order anyone to do it. It says he shall cooperate. He is authorized to cooperate, but he cannot demand it.

Mr. MARTIN of Pennsylvania. Mr. President, we are getting some very good information. I should like to comment on subsection (f) which provides:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. As I understand, the regulations would pertain to administrative procedures only, and would not compel a mill owner or timberland owner to do this or that.

Mr. HUMPHREY. I should say so. The Senator's explanation is correct. This is ordinary language. It would spell out the responsibility—and that language is always used—in order to authorize the Secretary to issue such regulations as he deems to be appropriate in carrying out the provision of the section. That is the only way in which the Secretary could operate.

Mr. THAYE. Mr. President—

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a little further comment on subsection (f). It has very much to do with the intentions of this section. I wish to read it again:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

Would not that language permit the Secretary to force every small timber owner in this country to make a report as to how much acreage he has, how much he has sold during the year, what price he received for it, and so forth? Could not the Secretary of Agriculture issue regulations of that character?

Mr. HUMPHREY. That is not my understanding, because the language in subsection (c) provides that the Secretary is authorized to cooperate, not directed to cooperate.

Mr. ANDERSON. Mr. President, will the Senator yield on that point?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. It is a well-established practice of the Department of Agriculture that unless there is a penalty accompanying regulations for reporting, the Secretary cannot enforce it on anyone. That has been decided about five times. The question has been settled that unless there is a penalty provision attached, the Secretary cannot

compel anyone to do it. If a smaller farmer does not wish to answer the inquiry of the Secretary, all he need do is to write back and say, "It is none of your business."

Mr. MARTIN of Pennsylvania. Mr. President, in answer to that I should like to say that the farmers of Pennsylvania wish to comply with the law. If they get a request from any department of Government they answer it to the best of their ability. I do not want them to have the feeling that there is something being held over them.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Minnesota.

Mr. THYE. Mr. President, I have received quite a number of communications relative to section 602 of the act. I have made reply to them. There has been some apprehension on the part of those engaged in the production of pulpwood and in the harvesting of pulpwood. They have had some concern in connection with this section. I can assure them that their fears are groundless. There is nothing in this section of the act that will make anything mandatory.

I have a message from an association which thought this would be a reestablishment of what was in the old NRA Act. Nothing could be further from the truth. I merely wish to say that crop reporting cards and livestock reporting cards are sent out through regular channels of mail to producers, and they fill in those cards to show what their livestock is and what they anticipate will be the number of cattle and the number of hogs, and so forth.

That is information which is of value to everyone in the production of agricultural products and in the processing and purchasing of agricultural commodities.

Therefore I would say that the timber price reporting we have provided for in the bill under section 602 will be a service to anyone engaged in forestry or pulpwood activities. It will be of benefit to the little farmer, who may have a few cords of pulpwood or a few posts or a few telephone poles. He will know about national market trends and about values.

For that reason I wish to say to those who have written to me, if they will read the RECORD, that they need have no fears. I believe it will be a valuable service to them. It will not be mandatory. It will not be a regulation which will compel them to fill out extensive questionnaires periodically.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. ANDERSON. I merely wish to point out to the Senators from Pennsylvania and New Hampshire, who have a perfectly sound reason to question this matter, that the soil-bank provisions, on which we will vote soon in connection with this bill, in section 224 of the bill, provides:

"The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act."

I express the hope that we will not strike that provision from the bill. The Secretary of Agriculture must have the power to prescribe such regulations. Other agricultural laws contain similar provisions. If we go back to the original Soil Conservation and Domestic Allotment Act of 1938, we find that it authorizes the Secretary of Agriculture to conduct surveys and investigations and research relating to the character of soil erosion and the preventive measures needed. The same provision is carried in other acts. I do not believe the Secretary of Agriculture will say to every farmer in the land, "You give me a detailed description as to exactly how much soil erosion exists on your land, or I will send you to jail."

The Department of Agriculture does not work that way. The Secretary of Agriculture does not work that way. The Department of Agriculture tries to be friendly to the farm-

ers of this country, and tries to help them. The Department was established for the purpose of disseminating information, first to the agricultural colleges, then to the extension agencies, and then on to the actual people who serve the farmers.

I am glad we have had this discussion this evening, because I would not want the Secretary of Agriculture to take any advantage out of this provision and try to destroy what has been going on for years. I do believe that the committee, which considered this subject very carefully and which struck from it the language that we regarded as objectionable, has put the provision into such shape that we can safely adopt it, without doing any damage to anyone.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, basically I share the solicitude of the Senator from Pennsylvania with regard to matters of this kind, but he will note that these functions cannot be exercised until a specific appropriation is made. If the Senator's people wish to come before the subcommittee on agricultural appropriations, while I cannot speak for the chairman, I think I can say that they will receive a very good hearing, and if there are any abuses, the appropriation can be denied.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. ANDERSON. The Senator from Illinois was a member of the Appropriations Committee of the House when I was in the Department of Agriculture, and he recognized the power of the purse, and if there was a function which was going badly, he saw that it was trimmed down. That is what would happen under this provision.

The PRESIDING OFFICER. The Senator from Pennsylvania has 9 minutes remaining.

Mr. COTTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. COTTON. I wish to say to the distinguished Senator from New Mexico that after he completed his assurance, all that I was interested in was having the record clearly show that it was not the purpose of the Congress to impose a compulsory reporting system upon the farmers.

I was a little bit disturbed by the remarks of the Senator from Illinois, because I do not like to have the record indicate that the people have recourse to the Appropriations Committees to stop appropriations before they are safe on this point. If the record clearly shows that nothing in the section is intended to make a compulsory reporting system incumbent upon the operators, I am perfectly satisfied, and I thank the Senator from New Mexico.

Mr. ANDERSON. The purpose of a section of this character is to establish the legislative history, and I think that has been adequately done.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. MARTIN of Pennsylvania. Yes, Mr. President.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate-House conference committee, after careful consideration, dropped the provision from the earlier farm bill.

It adds nothing to the solution of the farm crop-surplus problems which are the indicated objectives of the Soil Bank Act.

Prices of forest products, and particularly of forest stumpage, have local application only. Little interstate commerce is involved in the sale of primary forest products, and no interstate commerce is involved in stumpage sales—this in itself points to price reporting being a State or private responsibility.

Any producer of primary forest products may obtain price information by contacting the purchasing companies or consulting foresters. Such prices are current in application and much more significant than those obtained through reported averages of past transactions.

Private-industry associations are already reporting and publishing price information.

Mr. President, it seems to me this is an unnecessary provision, and I sincerely hope the Senate will strike it from the bill.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. MARTIN of Pennsylvania. How much time does the Senator desire?

Mrs. SMITH of Maine. A half minute.

Mr. MARTIN of Pennsylvania. I yield a half minute to the Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I wish to associate myself with the able senior Senator from Pennsylvania and express my support of the remarks he has made. Section 402 would place an undue burden on the forestry industry in my State, and I feel that the disadvantages would far outreach any benefits which might be derived.

Mr. ELLENDER. Mr. President, the amendment to strike out section 402, which provides only for forest products, price reporting, and research by the Department, was incorporated in the bill at the behest of the Senator from Minnesota [Mr. HUMPHREY]. The section does not impose any reporting requirements or obligations on the private trade.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MARTIN of Pennsylvania. Were any hearings held on this section of the bill?

Mr. ELLENDER. Not on the forest section.

Mr. MARTIN of Pennsylvania. As I understand, on this particular section of the bill there were no hearings by either the Senate committee or the House committee.

Mr. ELLENDER. That is correct; there were no hearings on section 402.

Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Mr. President, a few moments ago we tried to modify some language in section 203. Apparently the language which I offered was

not proper. The Department of Agriculture has objected to it, and I think their objection is sound.

I ask unanimous consent to have the language revised in accordance with the language I am submitting.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, line 19, after the figure "1955.", it is proposed to insert:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified therein, but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton.

Mr. ANDERSON. That has been submitted to the attorneys for the Department of Agriculture. They withdraw their objection to the other language, and are happy to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. ANDERSON].

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, the provision to which the amendment of the Senator from Pennsylvania [Mr. MARTIN] is directed is section 402. Of course, the purpose of the amendment is to eliminate the provision, and thereby to deny the timber farmers, who are thousands in number, the opportunity to receive from the Government the same kind of price information which practically every other farmer in the United States receives.

Arguments have been made against this provision of the bill on the ground that it was not needed. I submit it is needed, because the price reporting services which are presently available to timber farmers are generally from the buyers of timber, and, in some limited areas, from some State jurisdictions.

Furthermore, Mr. President, there is a growing need for accurate information as to prices of timber relating to the species and the type of timber which has been or will be produced.

The bill provides a tremendous program of reforestation. It provides for tree planting, under its conservation reserve section. The growth of timber in this country has become a major farm production item.

Mr. President, I am not unaware of where the real opposition to this provision comes from. It comes from the timber interests, from the Lumbermen's Manufacturing Association, from the large users of timber. They have been able to buy timber from farmers, most of whom are small farmers, at the user's own prices, at their own will, without any competent, accurate price reporting available to the producers of the timber.

The timber barons of this country have had quite a heyday. I do not intend to make any prolonged speech on this subject at this time, but if it becomes necessary, I shall do so. The timber interests stripped our forests until the Government brought them into line. One of the great disgraces of this country was the manner in which our forests

were depleted, and it was not until Government, Federal and State, took a hand, that this tendency and trend of the destruction and depletion of our forests was reversed.

Fortunately, we have a good reforestation program operating between Government and private industry. That is as it should be. But here is the last opportunity for the large manufacturer associations in the lumber business and the large buyers of timber to have their way—namely, to have no accurate price reporting.

I should like to know, Mr. President, what wheat farmers would do if their Government did not give them accurate price reporting. I should like to know what cotton farmers would do if their Government did not give them accurate price reporting on the basis of grade and quality. I should like to know what any other segment of American history would think if there were no statistical information available, of an economic nature, relating to prices. They would be here demanding some help.

The provision under discussion was placed in the bill because the small timber farmer is not well organized, and he needs someone to stand up for him. There are hundreds of small timber farmers in the State of Minnesota. There are thousands of them throughout the United States. All in the world this provision requires is simply that the Secretary of Agriculture shall provide current information on marketing and price to aid these timber farmers, so they may more accurately market their forest products.

There has been lobbying. I should like to say to the Senator from Arkansas, who has written to us as to whether or not lobbyists have been working on us, "Yes, I have been lobbied on this amendment by the Lumbermen's Manufacturing Association, and I do not like it." I can say I have not been lobbied by the small producers. We are going to have to stand up and be counted as to whether we are going to deny the right of the timber producer to get accurate information, or knuckle down to the lobbying of the Lumbermen's Manufacturing Association.

Our own Government sells \$100 million worth of lumber a year, and it has to sell it at the mercy of the purchaser's market. The Government does not even provide accurate marketing statistics for its own timber, much less for that of the small producer and independent farmer.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask for 1 more minute.

Mr. ELLENDER. I yield the Senator from Minnesota 1 more minute.

Mr. HUMPHREY. I have been asked by the able Senator from Mississippi whether the provision is in the bill or whether I wish to add it. The provision is in the bill. The amendment offered is to strike it out. It was in the bill originally passed by the Senate. An amendment was offered to strike it, but it was defeated. The provision was lost, to be sure, in conference.

But, Mr. President, I have been assured that if the same conferees participate in the conference on this bill, this provision will not be lost, because in the conference on the previous bill there was a misunderstanding as to the purpose of the particular amendment which now is represented by the section of the bill to which the amendment of the Senator from Pennsylvania is directed.

Let me say that the purpose is clear and explicit, namely, accurate marketing information. I do not believe anyone would wish to deny accurate marketing information to those affected by this amendment.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Oregon is recognized for 3 minutes.

Mr. NEUBERGER. I thank the Senator from Louisiana.

Mr. President, as one who, in part, represents the State which produces more lumber than does any other State in the Nation, I think I can say that the pending amendment to eliminate the price-reporting provision of the bill in the case of timber products is aimed at the small owners of timber in the United States.

I have before me the Timber Resource Review compiled by the United States Forest Service. The review constitutes one of the most extensive surveys ever made in the history of our forest resources. It points out that in the United States there are approximately 3,400,000 forest ownerships on farms.

I read from the Review:

Farm and other private ownerships constitute a large and heterogeneous group, comprised of cropfarmers and livestock ranchers, business and professional people, housewives, wage earners, mining and landholding companies, and a wide variety of other miscellaneous owners.

These are the people who will be the principal victims if this amendment is adopted; they will be forced to sell their products in the dark; they will not know what the prevailing price is, until it is too late for them to realize a fair price. Small lumber dealers and small timber operators, without their own reporting facilities, likewise will suffer if the amendment is adopted to eliminate a government price-reporting service in the realm of forest products.

Those outside the Senate who want this amendment agreed to are the large timber operators who have gone around buying up the farm woodlots for token payments, for only a fraction of what they are really worth. What other reason is there for this amendment?

It seems to me that if we are to safeguard the 3,400,000 farm owners of timber in the United States, we need to retain in the bill the provision that our Committee on Agriculture and Forestry has so wisely included in it.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. CASE of South Dakota. I am inclined to think that we should keep this

provision in the bill. A firm from Oregon came to the Black Hills of South Dakota the other day and out-bid a local timber firm, and bought 30 million board feet of timber in the Black Hills. So I think it would be a good idea to retain this provision in the bill, so that our timber owners may have an idea of what their timber is worth, before they sell it.

Mr. NEUBERGER. Mr. President, regardless of whether the timber purchaser referred to by the Senator from South Dakota came from the Black Hills or from my State of Oregon or from New Hampshire—

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. NEUBERGER. Mr. President, will the chairman of the committee yield 2 minutes more to me?

Mr. ELLENDER. I yield an additional 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. NEUBERGER. I thank the chairman of the committee.

Mr. President, let me say that regardless of where the timber purchasers may come from, if they benefit financially by not paying a fair price, that is against the public interest.

Regardless of where timber owners are located in America, we should let them have adequate knowledge of what their timber is worth, just as those who own cotton or any other product should know what their commodity is worth.

The Forest Service is established in the Department of Agriculture, because over the years Congress has regarded trees as a crop. Mr. President, if the Forest Service is to remain in the Department of Agriculture, as I think it should, the farmers who own woodlots are entitled to the same protection that is received by farmers who own fields of wheat or fields of cotton. Why favor price reporting for grain farmers or dairy farmers, and then oppose it for tree farmers?

Mr. CASE of South Dakota. Mr. President, I think the persons to whom I referred bid for the timber in open competition. But apparently the Oregon firm could pay more than those in South Dakota could pay. However, they were rather surprised, since that was a rather sizable sale, to have the Oregon firm outbid the local people.

Mr. NEUBERGER. So far as competitive bidding is concerned, we have no control over that. The best price offered must prevail.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the junior Senator from Vermont [Mr. FLANDERS].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. FLANDERS. Mr. President, I wish to speak briefly in support of this provision of the bill. I speak in support of it from the standpoint of the area I know best, namely, the New England States, particularly my own State of Vermont.

On every farm there is a woodlot. In some cases, the woodlot is a major part of the farm. The aggregate of these farm woodlots amounts to an enormous

acreage; and the value, particularly in the case of the hardwoods, amounts to millions of dollars, even though each woodlot is a small one.

In marketing the timber, each owner of a small woodlot is dealing, not with his regular business of farming—presumably, dairy farming—but, for the moment, with a matter in which he has not had a great deal of experience. Certainly the value which can be realized by the farmers of my region, if they are given authentic information regarding the price of the wood they have to sell, will be very great.

So I trust that the Senate will vote to retain this particular reporting provision in the bill.

Mr. MAGNUSON. Mr. President—

Mr. ELLENDER. I yield 1 minute to the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. MAGNUSON. Mr. President, I do not wish to belabor the point; but I desire to associate myself with the remarks of the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Vermont [Mr. FLANDERS], in opposing the amendment of the Senator from Pennsylvania [Mr. MARTIN].

In my State there are many, many small tree farmers. I know personally of instances in which they have not gotten for their timber the price they should have gotten.

I think this provision can go a long way in giving them information regarding what their timber is really worth, so they may get a fair and square deal for the great amount of hard work they have put in on small tree farms.

The PRESIDING OFFICER. Does the Senator from Pennsylvania desire to yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. Mr. President, I yield 1 minute to the Senator from New Hampshire [Mr. COTTON].

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I think I shall need only half a minute.

I wish to ask whether the wording of this provision is exactly the same as the wording of the similar provision in the agricultural bill the Senate passed a few weeks ago; and I refer particularly to the discussion which occurred on the 15th of March.

Mr. ELLENDER. In other words, the corresponding provision of House bill 12?

Mr. COTTON. Yes.

Mr. ELLENDER. Yes.

Mr. COTTON. In connection with that bill, the legislative record which was made was that the compiling of this information could be done only in cooperation with the State authority, and that the provision did not empower the Federal Government to require reports of statistics from individuals.

Mr. ELLENDER. As I understand the provision, it is not compulsory at all to make the reports. These reports would be in the same category as those on cotton, corn, and other commodities upon

which the Secretary of Agriculture is authorized to make reports.

Mr. COTTON. Mr. President, let me say that I feel deeply about this matter. But in view of that assurance, I desire to associate myself, as I did before, with the Senator from Pennsylvania and the Senator from Maine in their position on this amendment.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. I do. Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has either been used or yielded back.

The question is on agreeing to the amendment of the Senator from Pennsylvania. [Putting the question.]

Mr. MARTIN of Pennsylvania. Mr. President, on this question, I ask for a division.

On a division, the amendment was rejected.

Mr. MONRONEY. Mr. President, on behalf of myself and my colleague [Mr. KERR], I call up my amendment which is at the desk; and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, after line 7, it is proposed to insert a new paragraph, as follows:

In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 a conservation reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands conservation reserve program.

On page 14, in line 9, after word "clover", insert "grazing lands."

On page 21, in line 17, strike out "\$450,000,000" and insert "\$525,000,000, which shall include \$75,000,000 for carrying out the conservation program for grazing lands."

Mr. MONRONEY. Mr. President, I yield myself 5 minutes.

This amendment is similar to the provision which was voted into the bill in the House, except that it is carried forward in the conservation reserve program instead of the acreage reserve program. Also it provides \$75 million instead of \$50 million for allowing livestock raisers, those who raise cattle throughout the Nation, to participate in the soil-bank program.

The raising of livestock is the only important or major part of our agriculture which is completely ignored and kept entirely out of participation in the soil bank; yet I feel that the facts, particularly across the Great Plains area, will show that if the real purpose of the bill is to increase and improve the fertility of the land, our overgrazed and wornout grasslands, which are being used today for the overproduction of livestock, are most in need of a conservation program.

The purpose of the bill, as stated by its sponsors and by the administration, is to reduce overproduction, which is depressing the price of agricultural commodities. A second purpose is to improve the fertility of the soil. We definitely have a condition of overproduction in the livestock industry. Whereas there were 76.8 million cattle on the ranges on January 1, 1947, on January 1, 1956, there were 97½ million. We have seen these increased numbers give us the greatest losses, percentage-wise, of any segment of the agricultural industry.

No part of agriculture is suffering as much from the present depressed prices as is the livestock industry. The prices average only 70.25 percent of parity. When we consider that beef is selling at 71 percent of parity, calves at 71 percent, sheep at 63 percent, and lambs at 77 percent, we get an average of 70.25 percent of parity.

All other farm products combined have an overall average of 84.6 percent of parity. The drop from 1951 to 1953 in the price range of livestock when it was brought to market was more than 50 percent, and the shrinkage in the capital asset value of cattle on the range today represents a drop in 1 year of nearly \$100 million, notwithstanding the increase of 409,000 head of cattle. If we are going to recognize the problems of overproduction in respect to cotton, corn, wheat, small grains, and everything else, the livestock industry, which furnishes nearly 50 percent of the farm income of the Nation, should have an opportunity to participate and to rest its grazing lands and build up their fertility.

I invite attention to the fact that no one can enter this program unless he agrees to meet the requirement of a production reduction in the number of cattle on the range, in a percentage comparable to the amount of acreage being withdrawn.

I know there will be some wisecracks made to the effect that cattle cannot read. We shall be asked, "What are you going to do? You cannot fence in the range." That same question might be asked with respect to every acre placed in the acreage reserve program or in the conservation reserve program, because cows cannot read those signs, either. Gates can be left open, and milk cows can graze on all the other acres provided for in a \$1,200,000,000 program. This industry would be far easier to police, because of the location of the grazing lands, than all the other acreage involved in the remainder of the program relating to row crops.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield myself 1 more minute.

Inasmuch as the purpose of the bill with respect to row crops is to build up pasturelands and put new cattle raisers in competition with existing cattle raisers, the cattlemen ought to be entitled to rest some of their grazing land and conserve the grasslands, while the new subsidized competition being put into the cattle business at Government expense takes place.

I should like to see this amendment, which is similar to the provision adopted by the House, enacted into law.

I yield 3 minutes to my senior colleague [Mr. KERR].

Mr. KERR. Mr. President, the purpose of the distinguished junior Senator from Oklahoma and myself in supporting this amendment is, first, to get more productive land in the soil bank, in order that the benefits of the soil bank may be general in character, and therefore available to the producers of cattle.

In the next place, the purpose of the amendment is to help bring about an orderly reduction in the number of cattle on the range in such a manner as not to have a depressive effect on the market or to add to the financial burden of the cattle producers.

I hope the distinguished chairman of the committee will agree to accept the amendment, failing which I shall ask for its adoption by the Senate.

Mr. ALLOTT. Mr. President, I should like to ask the Senator in charge of the time for the opposition to yield to me 2 minutes.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I must rise in opposition to this amendment. It is bad. The same questions involved in connection with this amendment were discussed at length on the floor during the debate on the first farm bill.

I should like to read into the RECORD a telegram which I have received from the Colorado Cattlemen's Association, dated May 9, 1956. The telegram refers to the Albert amendment. I believe that the position of the Colorado Cattlemen's Association is also the position of the American National Cattlemen's Association on this subject, the only difference being as to whether it applies to the conservation reserve or the acreage reserve. The telegram reads as follows:

DENVER, COLO., May 9, 1956.

Senator GORDON ALLOTT,  
United States Senate,  
Washington, D. C.:

It's Colorado Cattlemen's Association's understanding that there is being considered for the soil bank price supports on small grains other than wheat and corn. Our association opposes such an amendment, feeling that it will only multiply the already serious problems of our feeders. If controls accompany supports it will ultimately lead to more land to grass and more cattle numbers in areas not now producing cattle, thus intensifying our cow numbers. Our board members, along with the 25 local association presidents, at meeting today in Denver, were very relieved to hear that the Jennings amendment and the Albert amendment to the soil bank were killed. We are particularly opposed to portion of the Albert amendment that would call for a reduction of cattle numbers, feeling that such a move would force marketing and slug market bringing new low in prices.

DAVID G. RICE, Jr.,  
Executive Secretary, Colorado Cattlemen's Association.

In the opinion of the American Cattlemen's Association, the Colorado Cattlemen's Association, and many others, the effect of this amendment would be to throw upon the market more cattle at a time when they are building the con-

sumption of beef, and, as the telegram says, to slug the market and depress the price of cattle, to the detriment of our stock raisers.

Mr. KERR. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the junior Senator from Oklahoma yield 1 minute to me in order that I may answer the question of the senior Senator from Oklahoma?

Mr. MONRONEY. I yield 1 additional minute to the Senator from Colorado.

Mr. KERR. Mr. President, can the Senator inform us as to what percentage of the land grazed by the Colorado Cattlemen's Association is public domain, and therefore not the land of those using it, and consequently not eligible for soil-bank payments, if this amendment were adopted?

Mr. ALLOTT. No; I cannot give the Senator that information offhand, but I shall be happy to procure it for him.

Mr. KERR. Would the Senator say that it is about three-fourths of the land?

Mr. ALLOTT. It is my opinion that it is a smaller amount of land.

Mr. KERR. What percentage of land in Colorado is public domain?

Mr. ALLOTT. Thirty-seven percent.

Mr. KERR. Thirty-seven percent. I thank the Senator.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes. I do not expect to go into detail with respect to the pending amendment, except to say that, as will be recalled, the same kind of amendment was debated at length on the Senate floor when we considered the Senate version of H. R. 12. I wish to say that when the Senate Agriculture Committee considered the pending bill, we considered whether or not we should retain a provision in the House bill similar to that now being proposed by the distinguished Senator from Oklahoma [Mr. MONRONEY]. It was the unanimous decision of the committee to omit that part of the House bill.

I hope the Senate will defeat the amendment as it did in the case of a similar amendment when the Senate version of H. R. 12 was considered.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. MONRONEY. I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendments "5-17-56-F," and ask that they be stated.

The PRESIDING OFFICER. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 13, after the period in line 3, it is proposed to insert the following:

The compensation paid any producer for participating in the acreage reserve program

with respect to land in any one State in any year shall not exceed \$25,000.

On page 17, after the period in line 7, it is proposed to insert the following:

No annual payment to any person with respect to land in any one State shall exceed \$7,500.

On page 70, after line 8, it is proposed to insert the following:

Sec. 603. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"Sec. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed \$50,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitation."

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. WILLIAMS. Mr. President, one phase of the amendments was adopted by the Senate when they were offered during the debate on the previous bill, by a vote of 84 to 9. The amendments as modified and as now before the Senate were approved by the Senate by a vote of 78 to 11.

The purpose of the amendments is to put a limitation on the amount of payments which can be made under the acreage-reserve program to any one individual or corporation, so that no payment could exceed \$25,000. Under the conservation-reserve program the limitation would be \$7,500. It provides a limitation under the price-support provisions of the Agricultural Act of \$50,000 for any individual or corporation.

The amendments would prevent benefits of this \$2 billion bill ending up as a bonanza for the corporate type of farming or other large individual farming.

I pointed out in a previous discussion that if the amendment were not adopted it would be possible under the provisions of the bill for one large wheat grower in the Montana area, who has about 340,000 acres of wheat, to put half of that under the acreage-reserve program and collect a check from the Government for \$3,400,000 for doing nothing.

Certainly it is not the intention of the Senate, and by a vote of 78 to 11 it repudiated that proposal. Unfortunately, the amendment did not hold up in the conference committee. However, I am hopeful that the conferees will feel more kindly toward it this time. I am asking whether the chairman of the committee will not agree to accept the amendment and avoid delaying the Senate further in the discussion of the bill.

Mr. ELLENDER. Mr. President, I object to the amendment.

Mr. WILLIAMS. Mr. President, inasmuch as the amendment was adopted previously by a vote of 78 to 11, I cannot help thinking that it will be agreed to by the Senate again. Therefore, I shall submit it to a voice vote. If it is not agreed to, I shall suggest the absence of a quorum, and ask for a yea-and-nay vote.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. ELLENDER. I wish to state to my good friend from Delaware that, as he will remember, there was a voice vote on his amendment in committee, and I think he was the only one who voted for it. It is true that the Senate went into this matter at considerable length.

As chairman of the committee, when the matter first came up, I opposed it. I am satisfied that if the provisions suggested are incorporated in the bill, we shall have to have a conference with the House. It is my opinion that the House will not approve a bill with these provisions in it. Therefore it would be an idle gesture for us to vote for the amendments. I hope the Senate will reject these amendments.

The PRESIDING OFFICER. Are the Senators prepared to yield back their time?

Mr. ELLENDER. If the Senator from Delaware yields back the remainder of his time, I shall be glad to yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

Mr. ELLENDER. I do also.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. ELLENDER. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. WILLIAMS. I object. Several Senators requested a division.

The PRESIDING OFFICER. As many as favor the amendment will rise and stand until counted.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Ar-

kansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

## YEAS—44

Allott	Frear	Mundt
Barrett	Goldwater	Neuberger
Beall	Hayden	Payne
Bender	Hickenlooper	Potter
Bennett	Hill	Purtell
Bridges	Hruska	Robertson
Butler	Humphrey	Russell
Case, N. J.	Jenner	Saltonstall
Case, S. Dak.	Kuchel	Schoeppel
Cotton	Langer	Smith, Maine
Curtis	Mansfield	Sparkman
Dirksen	Martin, Iowa	Watkins
Duff	Martin, Pa.	Williams
Dworshak	McCarthy	Young
Flanders	McNamara	

## NAYS—29

Alken	Hennings	Long
Anderson	Holland	Magnuson
Bible	Jackson	McClellan
Capehart	Johnson, Tex.	Millikin
Clements	Johnston, S. C.	Monroney
Daniel	Kefauver	Stennis
Eastland	Kerr	Symington
Ellender	Knowland	Thye
Ervin	Laird	Wofford
George	Lehman	

## NOT VOTING—22

Bricker	Green	Pastore
Bush	Ives	Scott
Byrd	Kennedy	Smathers
Carlson	Malone	Smith, N. J.
Chavez	Morse	Welker
Douglas	Murray	Wiley
Fulbright	Neely	
Gore	O'Mahoney	

So the amendment of Mr. WILLIAMS was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. AIKEN. Mr. President, I wish to make a statement in regard to the last amendment which was agreed to.

The PRESIDING OFFICER. Does the Senator from California yield time to the Senator from Vermont?

Mr. KNOWLAND. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. No one in the Senate is more in favor of a limitation on the payments to one individual farmer than am I. Under ordinary circumstances, I would have voted for the Williams amendment. However, the adoption of that amendment assures the bill going to conference, from which it may never return. If it does return, it is likely to come back in such shape that it will be killed in one House or the other.

We have not been any further from having a farm bill passed by Congress at any time since the veto of the first bill than we are right now. I think there are other Senators, probably, who voted against the amendment for the same reason I did.

We have tried, month after month, to get a farm bill which would really be of benefit to the farm population of the country. We have worked all day in, I think, a statesmanlike manner; but at the last minute we have seen the Senate take action which means that the soil bank and farm legislation seem very far away at this time.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I agree completely with what the Senator from Vermont has said. I have taken the same view he has taken on some of these questions. I commend him, and I particularly wish to commend the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee, with whom I disagree on many agricultural policies, but who has stood here today and tried to make certain that the bill as passed by the Senate would be a bill which would not need to go to conference.

The able Senator from Louisiana and the able Senator from Vermont have tried their best to make certain that we would not delay the possibility of obtaining a passable bill which would give the farmer a chance to participate in increased benefits and in a soil bank this year. But because someone believed it to be desirable to vote for a limitation on

the payments, in order to prevent a situation which the smart people know how to avoid, we kill the chance of getting a bill which does not have to go to conference.

This is a bad vote—a very bad vote, indeed. I commend the Senator from Vermont for calling it to the attention of the Senate.

Mr. AIKEN. The amendment offered by the Senator from Delaware ordinarily would have been desirable; but used as a means of killing the bill, it is very harmful.

Mr. SALTONSTALL. Mr. President, I move that the Senate reconsider the vote by which the last amendment was agreed to.

Mr. WILLIAMS. Mr. President, I make the point of order that the bill has been read the third time, and that the motion of the Senator from Massachusetts is not in order.

The PRESIDING OFFICER. Is the Senator from Massachusetts moving that the Senate reconsider the action by which the amendments were ordered to be engrossed and the bill to be read the third time?

Mr. SALTONSTALL. I move that the Senate reconsider the votes by which the amendments were ordered to be engrossed and the bill to be read the third time.

The PRESIDING OFFICER. The Senator's motion is in order and he has 30 minutes on the motion.

Mr. SALTONSTALL. Mr. President, I made the motion after listening to the Senator from Vermont. I do not come from a State where farming is as important an industry as it is in some other sections of the country. I believe we should pass a farm bill. I do not think we should take any chance on having the bill killed by either House if there is an opportunity to have a bill passed without the necessity of having a conference. I therefore have made the motion I have made in order that the Senate may reconsider its action in the light of what was said by the Senator from Vermont [Mr. AIKEN] and the Senator from New Mexico [Mr. ANDERSON].

Mr. CAPEHART. Mr. President, will the Senator from California yield 5 minutes to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, there can only be one purpose of the soil bank, and that is to reduce production. That can be the only reason for it and its only purpose. There is only one way by which to reduce production, and that is to take out of production X number of acres. We in the Senate cannot shoot someone because he happens to have a large number of acres or a small number of acres.

If we expect to help the small farmer, we can help him only by getting rid of the surpluses and reducing production, so that the market price will rise and the farmer will get the benefit of higher prices in the market place.

If we limit the number of acres which the so-called large farmer can take out of production, then he will not take them out of production, and we will be defeating the very purpose we are trying to

achieve. I do not know why we want to do that.

If we want to consider eliminating the soil bank entirely, that is one thing. If it is thought that the soil bank is no good, and it is desired to eliminate it, that is fine. But if we want to vote for a soil bank to try to help every farmer, and particularly the small farmer, to get higher prices, then it is necessary to obtain a reduction of production by the large farmer.

I do not quite understand the reasoning, unless it is simply desired to kill the whole bill. If that is the purpose, I am perfectly willing to vote to kill the soil bank, and the conservation acreage provisions, but I do not want to do it indirectly.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. Did not the President recommend a cutoff on price supports?

Mr. CAPEHART. I do not know whether or not he did.

Mr. HUMPHREY. In the same message in which he advocated the soil bank?

Mr. CAPEHART. He may well have done so; but if he did, he was as wrong as he could be.

Mr. THYE. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Minnesota.

Mr. WILLIAMS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. THYE. Mr. President, I simply wish to associate myself with the remarks of the able Senator from Indiana. If ever a question was stated well, he stated it. What are we endeavoring to do? We are endeavoring to reduce the number of acres which will be harvested annually. That is the only way in the world by which we shall be able to reduce the surpluses of farm commodities and farm products. The distinguished Senator from Indiana stated the case well.

Mr. President, I have voted for and against amendments today in an attempt to obtain a bill which can be passed at this session of Congress. If this amendment prevails and the bill must go to conference, we may as well write "curtain" on trying to get a farm bill passed at this session of Congress.

For that reason I oppose the amendment. I hope the motion offered by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail, and that we may have an opportunity to reconsider the vote, and pass a bill which can get through conference, if it has to go to conference.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS. Mr. President, this is a sad day in the affairs of the United States Senate if we have reached the point where we cannot vote on amending a major agricultural bill providing for \$2 billion, without taking into consideration the fact that the amendment

must be agreed to in some form acceptable to the House of Representatives. Why not delegate our authority, and send the bill back to the House, and tell them to write it? Certainly, every Senator who answers to the rollcall will vote as he thinks about the amendment. The President, in his message in January, asked for the same provision which we in the Senate approved by an overwhelming vote. The same provision was approved by a previous yea-and-nay vote of 84 to 11.

There is only one reason why we would reconsider the amendment. It would be because the big landowners would blackmail the United States with a threat that "if you do not pay us billion-dollar checks, or big checks, we will see that you cannot get any farm bill."

There is certainly no argument which can be used that the bill will be vetoed, because of this provision, inasmuch as the President of the United States has asked for it.

If Senators believe in the principle, if they want to support it, let them vote for or against it on its merits. Three months are left. There is not a feature of the agricultural bill which can go into effect in this crop year. We have plenty of time. There is no urgency about it. Certainly, there is plenty of time to consider the bill in conference. If the conferees do not want to accept the amendment, they can reject it, if they are afraid to accept it, or vote on it.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JENNER. I cannot understand why this distinguished body, which overwhelmingly adopted the same amendment in the original consideration of the farm bill, by a vote of 79 to 11, though the bill was vetoed, should now take the attitude some distinguished Senators are taking.

In the first place, the President of the United States says there must be some limitation on payments in this bill. Secondly, why should the United States Senate sit here tonight and authorize the payment to landowners who own many thousand acres of \$87,500 of the taxpayers' money for complying with this program? We are not here to sustain the man who owns 350,000 acres. We are not here to sustain the city farmer. We are not here to sustain corporation farmers. We are here to sustain family-size farmers, and not to protect the big landowners. We are here to protect the taxpayers' money which is paid into the Treasury of the United States.

What is the urgency? Why are we afraid of a conference? The provision could not possibly go into effect this year. A similar provision was in conference last year, but was taken out of the bill. Let the House conferees refuse to agree to it again, if they want to do so; but I submit that the provision is for the protection of the family-size farmers, not for the corporate and city farmers, or for the man who owns ten, twenty, thirty, or forty thousand acres of land. He does not need the protection of the taxpayers of the country.

Mr. WILLIAMS. Mr. President, I move that the motion of the Senator

from Massachusetts be laid on the table, unless he wishes to debate it further.

Mr. SALTONSTALL. Mr. President—

Mr. WILLIAMS. Mr. President, I withhold my motion temporarily.

The PRESIDING OFFICER. The Chair is advised that such a motion would not be in order until the time has been yielded back.

Mr. SALTONSTALL. Mr. President, how much time remains on the side of those in favor of the motion?

The PRESIDING OFFICER. The Senator from Massachusetts has 28 minutes remaining to him.

Mr. SALTONSTALL. Mr. President, I yield 5 minutes to the senior Senator from Oklahoma.

Mr. KERR. Mr. President, it is not often that the senior Senator from Oklahoma has agreed with the Senator from Vermont on a farm bill. I have often found myself in disagreement with the Senator from New Mexico with respect to a farm bill. But what those Senators have said with reference to the amendment is entirely correct. This amendment will not be to the detriment of the big farmer; it will be to the detriment of the family-sized farmer.

The purpose of the soil bank is to take acres out of cultivation. The family-sized farmer is not going to take them out of cultivation. The soil bank is a voluntary program. A man who has a few acres and a large family is going to cultivate every acre that is allotted to him. He is not going to take a small percentage of what he and his family can produce from an acre of cotton or corn or wheat or peanuts or rice or tobacco, and take land out of cultivation when he and his family can cultivate it and get the full benefit of what it will produce.

Yet that small farmer's welfare rides on the reduction of acres. Then where can we get a reduction of acres? Since the program is voluntary, and since the small farmer cannot afford to reduce further the limited allotment available to him under the bill, and to take a small percentage of what he would get by cultivating his acres, the only chance we have is to get them from the man who has many acres. When that is done, he is given a small percentage of what his land would produce if it were in cultivation, but a reinforcement is built under the market for what is produced by the small farmer.

Therefore, as I said a while ago, often as I have disagreed with the distinguished Senator from New Mexico and the distinguished Senator from Vermont, they are entirely right in what they have told us about the amendment. It does not benefit the small farmer; it hurts him. It does not promote the soil bank; it eliminates any possibility of the soil-bank program succeeding.

Mr. AIKEN. Mr. President, will the Senator from California yield me 2 minutes on the bill?

Mr. KNOWLAND. I yield 2 minutes on the bill to the Senator from Vermont.

Mr. AIKEN. Several speakers have stated that the President recommended limitations such as were included in the

last amendment to the bill just adopted. The President did not at any time make any recommendations as to limitations of payments on the conservation reserve or the acreage reserve. What the President said on January 9, 1956, was this—and I read from his message:

I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

The President asked the Congress to consider placing a limit on price-support loans, not on the conservation reserve or the acreage reserve.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. What the Senator has said is correct, but when the Secretary of Agriculture, who is the spokesman for the President, sent the original soil bank proposal to the President, there was a limitation of \$7,500 under the acreage reserve, exactly as the amendment proposes, and it was favored by the Senator from Vermont.

Mr. AIKEN. That is correct. I would be for the amendment now, but I cannot vote for it as a means of killing farm legislation at this session.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JENNER. This amendment provides for a maximum of \$50,000 under price supports as a fair limitation. Does the Senator know any family-sized farm which can draw \$50,000 price supports under any bill before the Congress?

Mr. AIKEN. I think there are many of them.

Mr. JENNER. Are they family-sized farmers?

Mr. AIKEN. Yes. There are farmers in my community who produce more than \$50,000 a year.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator from Vermont has expired.

Mr. JENNER. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1 minute.

Mr. JENNER. Mr. President, in other words, this amendment allows any one farmer in the United States \$50,000 under the price-support features of the bill, \$25,000 under the acreage-control provisions, and \$7,500 under the soil-conservation provisions of the bill. I wish to ask whether any Senator thinks there is in the country a family-sized farm which could draw \$87,500 from the taxpayers in connection with this program.

This amendment is for the purpose of preventing the making of these payments to persons who do not need Government support, and is to protect and to help the family-sized farms.

Mr. ELLENDER. Mr. President—

Mr. CAPEHART. Mr. President, will the Senator from Massachusetts yield 3 minutes to me?

Mr. SALTONSTALL. I yield 3 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. Mr. President, I hope the motion made by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail. I fear that my good friends, the Senator from Delaware and the Senator from Indiana, do not understand the philosophy back of the soil bank.

As was stated by my good friend the Senator from Oklahoma, the idea was to reduce production, so as not to aggravate further our surpluses. That is the proposal.

Mr. WILLIAMS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield.

The PRESIDING OFFICER. The Senator from Louisiana declines to yield.

Mr. ELLENDER. That is the reason and the purpose of the soil bank.

Whether the reduction is made on a farm of 10,000 acres or a farm of 10 acres makes no difference; the bill will not give the producer additional income. All it will do is give him an amount equal to what he might have obtained for the use of his land if he had planted the acres. That is all the soil bank does.

I want us to enact a farm bill, and I want us to get it to the President as soon as possible. As has been stated by my good friend the Senator from Vermont, if the bill is loaded down with a great many amendments—amendments which will have to go to conference—we shall not have a bill in time to assist the farmers this year.

If the motion of the Senator from Massachusetts prevails, and if those of us who desire a farm bill this year can also prevail with respect to a motion to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to—

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. AIKEN. I suggest that if the purpose of the proponents of the amendment is to limit the payments which can be made to any one farm, that can be accomplished in connection with the appropriation bill.

Mr. JENNER. But that will be very difficult to accomplish. In fact—

The PRESIDING OFFICER. The Senate will be in order. The Senator from Louisiana has the floor.

Mr. ELLENDER. Mr. President, as I have indicated, the purpose of the soil bank has been explained so often on this floor that I am surprised that some Members of the Senate apparently do not yet understand its philosophy.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. SALTONSTALL. Mr. President, I yield two additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. ELLENDER. I thank the Senator from Massachusetts.

Mr. President, the soil bank provisions will not enrich any farmer, because if he were to plant the acres that he may place in the soil bank, he probably could make more money. But if he does plant them, the result will further aggravate our surpluses.

Let us bear in mind that the main purpose of the soil bank is not to further aggravate our surpluses, to reduce production, and to bring supply in line with demand. It is hoped that as a result, prices will rise, and the Government will be able to get out of the business of having to lend so much money on these commodities.

Mr. President, let us vote in favor of the motion to reconsider, and then let us vote to reject the amendment of the Senator from Delaware [Mr. WILLIAMS], and thereby have a bill which I believe the House of Representatives will accept. In doing so, we can have the bill on the President's desk probably Monday or Tuesday of next week.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS. Mr. President, the Senator from Louisiana has said that the Senator from Delaware and the Senator from Indiana, in offering the amendment providing limitations on the acreage-reserve payments and soil-conservation payments, did not understand the soil-bank plan and did not understand what they were doing. Included in that statement, the Senator from Louisiana should have said that Secretary Benson likewise did not understand what he was doing.

Mr. ELLENDER. I do not mind including him, too. [Laughter.]

Mr. WILLIAMS. The original soil-bank plan which was introduced in the Senate by the Senator from Vermont was sent here by the administration and called for a conservation-payment limitation of \$7,500. I think the Senator from Louisiana was a cosponsor of a similar measure. The Senator from Louisiana may not have been a cosponsor of it, but it had 5 or 6 cosponsors.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 more minute to me?

Mr. KNOWLAND. I yield an additional minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS. Mr. President, there is no question that the Secretary did urge that such limitation be imposed; and in his message to Congress the President of the United States recommended the other feature, namely, a limitation on the acreage-reserve payments.

If there is no further debate on the bill, Mr. President, I should like to suggest that the remaining time be yielded back.

Mr. KNOWLAND. Mr. President, time still remains for debate on the motion, does it not?

The PRESIDING OFFICER. A motion to lay on the table is not in order until all time has either been used or yielded back.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute on the bill itself.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, I rise to support the motion of the Senator from Massachusetts [Mr. SALTONSTALL] that the Senate reconsider, first, the action of the Senate in ordering the third reading of the bill. If that is done, the Senator from Massachusetts, as I understand, will then move that the Senate reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to.

I hope the motions to reconsider will be adopted by the Senate, for the reasons which have been stated by the Senator from Vermont, the Senator from Oklahoma, and the Senator from Louisiana, the distinguished chairman of the committee.

Mr. SALTONSTALL. Mr. President—

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. HOLLAND. Mr. President—

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield 5 minutes to me?

Mr. SALTONSTALL. Very well, Mr. President; I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I wish to call attention, first, to the fact that this point is not one which was overlooked by either the Senate committee or the conference committee. This matter was very carefully considered in the Senate committee, and was attached to the Senate committee's report (No. 1484) filed on the previous bill; and the subject matter was dealt with under the subject of proposed regulations.

I read the following:

2. Maximum and minimum participation (these should be administrative affairs, not specified in the law; also there should be discretion to take care of farmers who for reasons of sickness or disability may not wish to operate their farms).

It was so left that in the case of sickness or disability, farms could be retired entirely from production, regardless of the amount involved, so as to better serve the soil-bank principle.

In connection with the conference report, Senators will find similar statements on page 52. For instance, the proposed regulations, setting up the acreage reserve program for grains, would allow a maximum of "50 acres or 50 percent of allotment, whichever is larger," to be placed in the program and similar limitations are set out for every other kind of crop.

We have been through this matter in conference. We found that it was a subject matter on which we could not agree with the House conferees. If we place such provisions in this bill, we are likely to have the same experience. Up to this stage we have not placed in the bill anything which we think would require a conference. We found that the Department of Agriculture was not at all extravagant in its ideas on this subject. Its testimony supported the statements we have made as to the regulations which were intended, covering maximum and minimum figures, and similar matters.

I voted against the amendment, because I felt that the wise course was to make every effort to get a satisfactory bill, and to try to retire as much land as possible. I do not think we have an extravagant spendthrift occupying the office of Secretary of Agriculture. Under this report, if he were inclined to be such, he could not be and still comply with the suggestions of the Congress.

I hope the motion to reconsider will be agreed to, and that we can go back and undo the wrong, and get a bill which can become law shortly, without the necessity of being confronted by some conferees who, I think, have no desire to see a soil bank bill enacted into law.

Mr. SALTONSTALL. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I intend to vote for the motion to reconsider, but only for one reason. I would be the last person to deny to any Member of the Senate an opportunity to reconsider his vote, if he desired to do so. I shall vote precisely as I did before, but I am perfectly willing to see the amendment reconsidered. Then the decision will be up to the conscience and judgment of every individual Member of the Senate. So I sincerely hope that the motion to reconsider will be agreed to. I trust we may have assurances that when the time comes there will be a ye-and-nay vote on the amendment. I would certainly not like to be foreclosed from that opportunity.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remaining time on my side.

Mr. CAPEHART. Mr. President, will the Senator yield to me 1 minute?

Mr. SALTONSTALL. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I voted against the amendment purely because I sincerely and honestly believed, from the top of my head to the bottom of my feet, that such action was to the best interests of the small farmer. That is the only reason I did it. I care nothing about the large farmers, except that I wish to see a reduction in production in order to get the small farmer's prices back up where they belong. I voted as I did because I believed it to be in the best interests of the little fellow, and not the big fellow.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remainder of my time, if the minority leader wishes to do likewise.

Mr. KNOWLAND. Mr. President, I wish to say, in reply to the inquiry made

by the Senator from Illinois, that, first of all, I hope the motion to reconsider will be agreed to. Personally, I shall vote to reconsider, and then vote in opposition to the amendment of the Senator from Delaware. Nevertheless, I give assurance, so far as I can, that I will support a demand for a ye-and-nay vote, in order that Senators may not be foreclosed from the opportunity to which the Senator from Illinois has referred.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of the time allotted to him?

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time allotted to me, and then I shall be prepared to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. SALTONSTALL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	McCarthy
Allott	Goldwater	McClellan
Anderson	Hayden	McNamara
Barrett	Hennings	Millikin
Beall	Hickenlooper	Monroney
Bender	Hill	Mundt
Bennett	Holland	Neuberger
Bible	Hruska	Payne
Bridges	Humphrey	Potter
Butler	Jackson	Purtell
Capehart	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Cotton	Kerr	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Laird	Symington
Duff	Langer	Thye
Dworshak	Lehman	Watkins
Eastland	Long	Williams
Ellender	Magnuson	Willford
Ervin	Mansfield	Young
Flanders	Martin, Iowa	
Frear	Martin, Pa.	

The PRESIDING OFFICER. A quorum is present.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. At the present moment my motion is a motion to reconsider the action of the Senate in ordering the amendments to be engrossed and the bill to be read the third time. Is that correct?

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

Mr. WILLIAMS. Mr. President, we all know what the issue at stake is. If it is agreeable to the Senator from Massachusetts, I would have no objection to reconsidering the vote by which the amendments were ordered to be engrossed and the bill ordered to a third reading, in order that he may make his motion directly on the amendment, following which I shall make a motion to table that motion, and we can have a direct vote.

The PRESIDING OFFICER. The Chair is advised that that can be done only by unanimous consent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. If that course of action is followed, will there then be an hour's debate on the motion to reconsider the vote by which the Williams amendment was agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. Mr. President, we do not wish to take too much time. I am wondering if we could not include in the unanimous-consent request a provision that there be no further debate, that the Senate proceed immediately to vote, and that the yeas and nays be ordered.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. As I understand, if I now ask unanimous consent to reconsider the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered, I can then make a motion to reconsider the action by which the Senate adopted the amendment of the Senator from Delaware, and ask that all time on that motion to reconsider be waived.

The PRESIDING OFFICER. The Senator is correct.

Mr. SALTONSTALL. I therefore ask unanimous consent that the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered be now reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Would it be possible to include all of that in one unanimous-consent request?

The PRESIDING OFFICER. It could be done in one unanimous-consent request.

Mr. RUSSELL. I would object to its being done piecemeal. If it is all done at one time, and included in one unanimous-consent request, I have no objection to it.

Mr. SALTONSTALL. Mr. President, I adopt the suggestion of the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? Without objection, the request of the Senator from Massachusetts is modified as suggested by the Senator from Georgia and the modified unanimous-consent request is agreed to.

Mr. SALTONSTALL. If it is now in order to do so, I yield back all my time.

Mr. RUSSELL. I understood that that was included in the unanimous-consent agreement.

The PRESIDING OFFICER. That is a part of the unanimous-consent agreement. The question now is—

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. As I understand, the Senator from Massachusetts would still be permitted to make a motion to reconsider the vote whereby my amendment was agreed to.

Mr. RUSSELL. No; that has all been included in the unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. That has all been included in the unanimous-consent agreement.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. Would a motion to lay on the table be in order at this time?

The PRESIDING OFFICER. The Chair understands that the parliamentary position at this time is—

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the combined unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. Such a request is in order. The request is sufficiently seconded, and the yeas and nays are ordered.

Mr. JENNER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JENNER. As I understand the parliamentary situation, since the Senate has adopted the combined unanimous consent request of the Senator from Georgia and the Senator from Massachusetts, we are now back where we were a moment ago, and we are now voting on the original question, namely, on the amendment offered by the Senator from Delaware, and that the yeas and nays on that question have been ordered.

The PRESIDING OFFICER. The parliamentary situation, as the Chair understands it, is that the question now is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The yeas and nays on that question have been ordered, and the clerk will call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. I wish to be sure that I understand the parliamentary situation. As I understand, we are now voting on the motion of the Senator from Massachusetts [Mr. SALTONSTALL] to reconsider the previous action of the Senate in agreeing to my amendment. A "yea" vote will be against a limitation, as proposed in my amendment; and a "nay" vote will be for the action previously recorded by the Senate. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. A vote "yea" is a vote in favor of reconsideration. A vote "nay" is a vote against reconsideration. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). On this vote I have pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "nay" and the Senator from North Carolina would vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Florida would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "nay."

On this vote the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 49, nays 22, as follows:

YEAS—49

Alken	Case, N. J.	Ervin
Anderson	Case, S. Dak.	George
Beall	Clements	Hayden
Bender	Curtis	Hennings
Bennett	Daniel	Hickenlooper
Bible	Dirksen	Hill
Butler	Duff	Holland
Capehart	Ellender	Hruska

Humphrey	Long	Saltonstall
Jackson	Magnuson	Sparkman
Johnson, Tex.	Mansfield	Stennis
Johnston, S. C.	Martin, Iowa	Symington
Kefauver	McClellan	Thye
Kerr	McNamara	Watkins
Knowland	Millikin	Wofford
Laird	Monroney	
Lehman	Neuberger	

NAYS—22

Allott	Kuchel	Robertson
Barrett	Langer	Russell
Cotton	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	Mundt	Williams
Frear	Payne	Young
Goldwater	Potter	
Jenner	Purtell	

NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murphy	Wiley

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. All time is yielded back, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote, the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada

[Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 28, nays 43, as follows:

## YEAS—28

Allott	Jenner	Potter
Barrett	Kuchel	Purtell
Case, S. Dak.	Langer	Robertson
Cotton	Mansfield	Russell
Dirksen	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	McNamara	Williams
Frear	Mundt	Young
Goldwater	Neuberger	
Humphrey	Payne	

## NAYS—43

Alken	George	Long
Anderson	Hayden	Magnuson
Beall	Hennings	Martin, Iowa
Bender	Hickenlooper	McClellan
Bennett	Hill	Millikin
Bible	Holland	Monroney
Butler	Hruska	Saltonstall
Capehart	Jackson	Sparkman
Case, N. J.	Johnson, Tex.	Stennis
Clements	Johnston, S. C.	Symington
Curtis	Kefauver	Thye
Daniel	Kerr	Watkins
Duff	Knowland	Wofford
Ellender	Laird	
Ervin	Lehman	

## NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murray	Wiley

So Mr. WILLIAMS' amendment was rejected.

Mr. JENNER subsequently said: Mr. President—

Mr. KNOWLAND. Mr. President, I yield a half minute to the Senator from Indiana.

Mr. JENNER. Mr. President, following the vote just taken, I should like to have printed in the RECORD the yeas-and-nay vote on the amendment when it was adopted originally, when H. R. 12 was under consideration, and also the first vote today on the Williams amendment, which has just been rejected.

The PRESIDING OFFICER. Is there objection?

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

[From CONGRESSIONAL RECORD of March 12, 1956]

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

On this question, the yeas and nays have been ordered; and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Hampshire [Mr. COTTON] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. COTTON] would vote "yea."

The result was announced—yeas 78, nays 11, as follows:

Yeas—78: Aiken; Allott; Barkley; Barrett; Beall; Bender; Bennett; Bible; Bricker; Bridges; Bush; Butler; Byrd; Carlson; Case, New Jersey; Case, South Dakota; Chavez; Clements; Curtis; Daniel; Dirksen; Douglas; Duff; Dworshak; Ervin; Flanders; Frear; George; Goldwater; Gore; Green; Hennings; Hickenlooper; Hill; Hruska; Humphrey; Ives; Jackson; Jenner; Johnson, Texas; Johnston, South Carolina; Kennedy; Kuchel; Langer; Lehman; Magnuson; Malone; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Monroney; Morse; Mundt; Murray; Neely; Neuberger; O'Mahoney; Pastore; Payne; Potter; Purtell; Saltonstall; Schoeppel; Scott; Smathers; Smith, Maine; Smith, New Jersey; Sparkman; Symington; Thurmond; Thye; Watkins; Welker; Wiley; Williams; Young.

Nays—11: Anderson; Eastland; Ellender; Fulbright; Hayden; Holland; Kerr; Knowland; Long; McClellan; Stennis.

Not voting—6: Capehart; Cotton; Kefauver; Millikin; Robertson; Russell.

So Mr. WILLIAMS' amendment, as amended, was agreed to.

[From the CONGRESSIONAL RECORD of May 18, 1956]

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and

the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

Yeas—44: Allott; Barrett; Beall; Bender; Bennett; Bridges; Butler; Case, New Jersey; Case, South Dakota; Cotton; Curtis; Dirksen; Duff; Dworshak; Flanders; Frear; Goldwater; Hayden; Hickenlooper; Hill; Hruska; Humphrey; Jenner; Kuchel; Langer; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Mundt; Neuberger; Payne; Potter; Purtell; Robertson; Russell; Saltonstall; Schoeppel; Smith, Maine; Sparkman; Watkins; Williams; Young.

Nays—29: Aiken; Anderson; Bible; Capehart; Clements; Daniel; Eastland; Ellender; Ervin; George; Hennings; Holland; Jackson; Johnson, Texas; Johnston, South Carolina; Kefauver; Kerr; Knowland; Laird; Lehman; Long; Magnuson; McClellan; Millikin; Monroney; Stennis; Symington; Thye; Wofford.

Not voting—22: Bricker; Bush; Byrd; Carlson; Chavez; Douglas; Fulbright; Gore; Green; Ives; Kennedy; Malone; Morse; Murray; Neely; O'Mahoney; Pastore; Scott; Smathers; Smith, New Jersey; Welker; Wiley.

So the amendment of Mr. WILLIAMS was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

Mr. ELLENDER. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time. The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. WILLIAMS and other Senators requested the yeas and nays.

The yeas and nays were not ordered. The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. JOHNSON of Texas. Mr. President, I yield a few minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, just prior to the vote on this bill, a statement that I have prepared, comparing the bill before us, H. R. 10875, to the bill S. 2949, known as the

administration bill, introduced earlier this year.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Herein is a list of the differences between S. 2949, which was prepared by the Department of Agriculture, and H. R. 10875 as reported by the Senate Committee on Agriculture. The differences are as follows:

1. The declaration of policy in H. R. 10875 takes wildlife conservation interests into account.

2. H. R. 10875 includes in the acreage reserve program, along with the commodities covered by S. 2949, the following: corn produced outside the commercial area, grain sorghums, barley, rye, oats, peanuts, fire-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44.

3. H. R. 10875 permits reserve acreage to be grazed, if necessary, to relieve disaster.

4. H. R. 10875 provides specifically for inclusion in the acreage reserve program of lands on which the 1956 crop is plowed under, or the reduction in acreage otherwise made, within 21 days after enactment of the act.

5. Provisions for the control of noxious weeds have been specifically included in the acreage and conservation reserve programs by H. R. 10875.

6. H. R. 10875 prescribes acreage reserve contracts containing penalties for violation.

7. H. R. 10875 provides for a base acreage of 51 million acres for corn in lieu of an acreage allotment for 1956 and for 1957, 1958, and 1959 if producers vote for discretionary price support in lieu of acreage allotments and mandatory price support.

8. H. R. 10875 contains price-support provisions for corn and feed grains.

9. H. R. 10875 makes participation in the soil-bank program a requirement for price-support eligibility for corn and feed grains, and provides a base acreage similar to an acreage allotment for feed grains.

10. H. R. 10875 restricts acreage-reserve payments in kind to payments made with respect to grains, limits the amount of grain which may be used for payments in kind, restricts the time for making payments in grain with respect to the normal harvesting season, provides that payments shall be such as to encourage underplanting allotments for more than 1 year, and requires the Secretary to make adjustments in yields for abnormal conditions in establishing rates of compensation.

11. H. R. 10875 requires acreage-reserve compensation to be paid as soon as compliance with acreage-reduction requirements have been determined.

12. H. R. 10875 imposes an annual limitation of \$750 million upon the overall acreage-reserve program and individual annual limits on acreage-reserve programs for each commodity.

13. Section 106 of S. 2949, which authorized the sale of certain quantities of Commodity Credit Corporation stocks at market prices without regard to the sales price limitations of section 407 of the Agricultural Act of 1949, is omitted from H. R. 10875.

14. H. R. 10875 provides for soil, water, wildlife and forest conserving uses on conservation reserve lands.

15. H. R. 10875 extends the conservation reserve program to lands devoted to such soil-conservation crops as tame hay which do not require annual tillage.

16. H. R. 10875 permits harvesting of timber and wildlife or other natural products from conservation reserve lands.

17. H. R. 10875 provides for inclusion in conservation reserve contracts of a prohibition against diversion of lands from conservation, woods, grazing or other use to any

use specified by the Secretary as one which would tend to defeat the purpose of the contract.

18. The penalty provisions applicable to soil bank contracts have been substantially modified to provide special penalties for grazing or harvesting, to provide different forfeitures for more serious violations, and to provide administrative and court review of contract terminations for serious violations.

19. H. R. 10875 permits the Secretary to use advertising and bid procedure in determining lands to be covered by conservation reserve contracts.

20. H. R. 10875 provides for the establishment of a conservation reserve goal and for its distribution among States on the basis of the needs of the country and of the various States.

21. H. R. 10875 provides for annual reports to Congress on the conservation reserve program.

22. The limitation of \$5,000 on annual conservation reserve payments to any person with respect to land in any State is omitted from H. R. 10875.

23. H. R. 10875 authorizes 15-year conservation reserve contracts for tree cover.

24. The annual conservation reserve program would be limited to \$450 million by H. R. 10875.

25. H. R. 10875 authorizes the Secretary to produce, as well as purchase, conservation materials and services for the conservation reserve program.

26. H. R. 10875 requires compliance with acreage allotments as a condition of eligibility for soil bank participation.

27. H. R. 10875 prohibits the reapportionment of acreage allotments diverted from production as a result of soil bank participation.

28. Section 118 of H. R. 10875 provides for utilization of a number of Federal and State agencies.

29. Section 119 of H. R. 10875 provides for the utilization of land use capability data.

30. H. R. 10875 provides for the use of appropriated funds in carrying out the soil bank after June 30, 1957.

31. Provisions for the protection of tenants and sharecroppers have been consolidated and substantially modified in H. R. 10875.

32. H. R. 10875 prohibits the leasing of Government lands for the production of surplus price-supported crops.

33. H. R. 10875 provides for pooling of conservation-reserve land.

34. H. R. 10875 provides for the orderly liquidation of CCC stocks and submission to Congress of surplus disposal, food stamp, and food stockpiling programs.

35. H. R. 10875 brings cotton stapling  $1\frac{1}{16}$  inches and longer within the quota applicable to cotton stapling  $1\frac{1}{8}$  inches or longer, and requires CCC to sell its current stocks of extra long staple cotton.

36. H. R. 10875 provides for an export sales program for cotton.

37. H. R. 10875 authorizes agreements limiting exports by foreign countries to the United States.

38. H. R. 10875 authorizes \$500 million to be appropriated annually to supplement section 32 funds.

39. H. R. 10875 provides for transfer to the supplemental stockpile of other materials acquired through barter, as well as strategic materials so acquired, and authorizes appropriations to reimburse the Commodity Credit Corporation for materials so transferred.

40. H. R. 10875 increases the amount authorized to be appropriated under title II of Public Law 480 to \$500 million, and authorizes payment by CCC of ocean freight costs on donations under title II of Public Law 480 and section 416 of the Agricultural Act of 1949.

41. H. R. 10875 provides for a bipartisan commission to recommend legislation for the

increased industrial use of agricultural products.

42. H. R. 10875 provides for food donations to certain penal institutions.

43. H. R. 10875 prohibits extension of certain benefits to crops grown on certain Federal irrigation or drainage projects.

44. H. R. 10875 authorizes the Commodity Credit Corporation to pay the cost of processing donated food commodities.

45. The provision of S. 2949 for extension and enlargement of the special school milk program is omitted from H. R. 10875, having been taken care of by other legislation.

46. The provision of S. 2949 changing the base grade of cotton for purposes of parity and price support is omitted from H. R. 10875.

47. The provision of S. 2949, reducing CCC's minimum general sales price for basic and storable nonbasic commodities to the current support price plus carrying charges, is omitted from H. R. 10875.

48. H. R. 10875 provides for extension to the 1956 and 1957 wheat crops of the surrender and reapportionment provisions applicable to the 1955 crop.

49. H. R. 10875 provides for minimum national and State acreage allotments for cotton for 1957 and 1958.

50. H. R. 10875 provides mandatory minimum cotton farm acreage allotments in all counties (including those on a historical basis) and provides 100,000 additional acres.

51. H. R. 10875 provides minimum State rice acreage allotments for 1956 and minimum national and State rice acreage allotments for 1957 and 1958.

52. H. R. 10875 increases peanut marketing penalties to 75 percent of the support price.

53. H. R. 10875 imposes interest at 6 percent on peanut marketing penalties, and imposes a lien upon the crop until the penalty is paid.

54. H. R. 10875 provides for the preservation of the acreage history of unused allotments where proper notice is given to the county committee.

55. S. 2949 contains special durum wheat provisions similar to those of Public Law 431 of this Congress.

56. S. 2949 would have reduced the size of the commercial wheat area.

57. S. 2949 would have repealed the peanut minimum national acreage allotment provision.

58. H. R. 10875 provides for assistance to States for tree planting and reforestation.

59. H. R. 10875 provides for forest products price reporting and research.

60. H. R. 10875 provides for a 2-price plan for rice.

61. H. R. 10875 provides for support at competitive support levels for cottonseed and soybeans whenever the price of either is supported.

62. H. R. 10875 freezes the transitional parity price of corn, wheat, and peanuts at 95 percent of old parity in 1957 and 1958, and provides for a study of the parity formula.

63. S. 2949 provides for a gasoline tax refund. This has been passed by other legislation.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield to me for half a minute?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. I ask unanimous consent that the bill be printed with the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, in order that there may be no misunderstanding, I merely wish to repeat what I said previously about the amendment which was just rejected.

That amendment was recommended by the President to be included in the bill, and the Secretary of Agriculture testified before the committee and urged the limitations provided by the amendment. It has been recommended by the administration throughout; and the original bill which was introduced by the Senator from Vermont and practically every member of the Committee on Agriculture and Forestry except myself included the same provision as has just been rejected.

The PRESIDING OFFICER. Do the Senators in control of the time yield back the remainder of their time?

Mr. KNOWLAND. I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I should like to ask several questions of the distinguished chairman of the Committee on Agriculture and Forestry, on a matter of some importance.

The first question is, Under the conservation reserve program, is it intended to put land into trees and vegetative cover which might otherwise be used for producing field crops which are in surplus supply?

Mr. ELLENDER. The answer is "Yes."

Mr. NEUBERGER. The second question is, Would the fact that good, sound productive soil was once in trees and is now available for crop use rule out such land as being cropland eligible for the conservation reserve program?

Mr. ELLENDER. The answer is "No."

Mr. NEUBERGER. The reason I have asked the questions is that there are some areas of Oregon and Washington which were planted in fine fruit trees, but, because of a disastrous freeze, they are about to be used for the production of field crops.

However, if the particular farmers can get some assistance under the conservation reserve program, they will return the land to nursery stock and vegetative cover for a number of years, and thereby avoid increasing the production of crops in surplus supply.

Does the language of the bill authorize the Department of Agriculture to include such acreage in a conservation reserve contract? Is that the opinion of the distinguished chairman of the Committee on Agriculture and Forestry?

Mr. ELLENDER. If the land is considered as cropland it could be put in the conservation reserve and put into vegetative cover or trees; but I doubt that it could be put into trees such as apple trees, or even nursery stock. In my opinion, that could not be done within the purposes of the act.

In other words, if the land that has been an apple orchard and crops have been regularly produced on it, the land could be put into the conservation reserve program, but it could not be put back into apples or back into a producing crop, as I understand the bill.

Mr. NEUBERGER. In other words, if it was used for nursery stock, it would

not qualify under the conservation reserve.

Mr. ELLENDER. That is correct. I do not see how it could be used for the production of any agricultural commodity and still meet the purposes of the act.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on the final passage of the bill.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered. The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 10875) was passed.

#### GREAT LAKES BULK-CARGO VESSELS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk-cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

#### CONFERRING JURISDICTION UPON UNITED STATES DISTRICT COURTS TO ADJUDICATE CERTAIN CLAIMS OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. CLEMENTS. Mr. President, on behalf of the Senator from West Virginia [Mr. NEELY], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, notwithstanding any lapse of time or statute of limitations, and notwithstanding

ing section 1346 (d) (2) of title 28, United States Code, the United States district courts shall have jurisdiction of all civil actions or claims to recover fees, salary, or compensation for official services of employees of the United States which were filed prior to October 31, 1951, and were thereafter dismissed for want of jurisdiction as a result of the amendment made to such section by section 50 (b) of the act entitled 'An act to amend certain titles of the United States Code, and for other purposes', approved October 31, 1951.

"Such cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court within 1 year after the effective date of this act."

And the Senate agree to the same.

MATTHEW M. NEELY,

PRICE DANIEL,

ARTHUR V. WATKINS,

*Managers on the Part of the Senate.*

JAMES B. FRAZIER, Jr.,

WILLIAM TUCK,

PATRICK J. HILLINGS,

*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CLEMENTS. Mr. President, the language of H. R. 5862 as it passed the House of Representatives and the language of the amendment in the nature of a substitute which was adopted by the Senate are designed to accomplish precisely the same purpose. For that reason, there is no disagreement on the purpose that is to be achieved by the proposed legislation. The conferees have agreed that the language in the House version, so far as it adopted the form of temporary legislation rather than a permanent amendment to title 28 of the United States Code, should be adopted. However, the conferees felt that additional language which was contained in the Senate version should be supplied to the House version to make clear that cases affected by this measure may be restored, by appropriate petition, in the courts from which they were dismissed.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

#### EXECUTIVE REPORT OF A COMMITTEE

Mr. EASTLAND, by unanimous consent, as in executive session, submitted the following favorable report of a nomination from the Committee on the Judiciary:

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board, vice Kathryn McHale, term expired.

#### NOMINATION OF SENATOR LONG TO A THIRD TERM IN THE SENATE

Mr. JOHNSON of Texas. Mr. President I wish to congratulate our beloved friend and colleague, the Honorable RUSSELL LONG, one of the youngest Senators ever to enter this Chamber, who today has been nominated—the time for filing

has closed without his having any opponent—to his third term in the United States Senate.

I believe the record will show that Senator LONG is the youngest person ever to have been nominated to a third term and elected to a third term—nomination in this instance being equivalent, I am confident, to election.

I know that all Senators share my very high regard and deep affection for Senator LONG.

Earlier today an order was entered upon the recommendation of the Democratic steering committee, electing Senator LONG to one of the great committees of the Senate, the Committee on Foreign Relations.

Senator LONG is the able son of worthy parents. Both his father and his mother served in this Chamber with distinction.

I know all my colleagues will want to join with me in congratulating Senator LONG upon this attainment of an honor which has come to few, if any, men in our history.

#### PEOPLE'S CAPITALISM

Mr. HUMPHREY. Mr. President, earlier this year under the auspices of the United States Information Agency, and based on a proposal of the National Advertising Council, an exhibit called People's Capitalism was on display at the Union Station. Certain aspects of this exhibit caused widespread concern, particularly among observers who have considered possible repercussions in Asia and Africa, areas sensitive to any representation of the United States as a boastful, materialistic power. There was a feeling among many observers that People's Capitalism, as first displayed, presented a picture of an America, proud only of its material achievements and largely devoid of deeper spiritual or philosophical foundations.

Typical of the reactions of many observers are the comments of Mr. S. Douglas Cornell, executive officer of the National Academy of Sciences in Washington. I ask unanimous consent that a 10-paragraph description written by him of the People's Capitalism exhibit be inserted at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### PEOPLE'S CAPITALISM

The People's Capitalism exhibit fills me with dismay. Dismay because it shows with all the terrible persuasiveness of the skilled professional salesman the stark materialism of America that many foreigners, in my opinion, fear for its emptiness of spiritual values even more than they envy for its material achievements. Dismay, too, because if that aspect of America is the best message for the world that public-spirited business organizations of the country, and the USIA, can prepare, then we are indeed in an era of spiritual poverty and we may well despair of America's willingness to find the humility and make the sacrifice that alone can bring an answer to the divisions within and outside our country.

What is the exhibit designed to do? If it is to show what America has accomplished economically and industrially, then it does a splendid job. But I cannot see the relevance of that to other people's problems in the world today except insofar as it shows the

magnificent physical equipment that we have to help others. It fails to say how, or even whether, we propose to use our wealth, our resources, our great good fortune, our energies, and our hearts to help solve the world's problems. That is what would carry a truly compelling message to other peoples.

If it is intended to show that the prosperity we have gained is what other nations should desire and could achieve if they emulated us, and that therein lies the answer for a groping, longing world, then it seems to me to be based on a fundamental fallacy. Other peoples will not be convinced. They know something of the extraordinary combination of natural resources, geography, transportation, communications, temperament, energies, and talents that built our industrial civilization. Why should an account of that kind speak persuasively to India, where there is no coal and millions lack the fuel to warm themselves or to cook their food? Or to China with teeming millions in an agrarian culture? Or to Japan, crowded into a narrow strip of habitable land and heavily dependent on foreign sources for raw materials and even food? Or to Burma, or Indonesia, or Afghanistan?

America cannot meet the deepest needs of people today by displaying the material results of our particular combination of fortunate circumstances, and saying, in effect, "You should be like us, and you can be if you will work as hard and be as lucky." Many other people work harder than we do, and they haven't been as lucky. And many of them see us enthroning material prosperity as our standard and economic success as our god, and the wise among them don't want that.

The exhibit is not an effective answer to Soviet propaganda. The Soviets already know what we have accomplished in industrial production; indeed, they keep saying publicly that they are striving to match our high performance. Everyone else knows it too. And the statistics of public participation in our capitalism, no matter how heartening to us, won't mean much to the peasant who cannot comprehend them or to the intellectual who has learned to mistrust all statistics, and especially "official" ones.

What people everywhere need most to know is the answer to the question, "What is in America's heart?" Not the heart of an advertising man alone, nor of a Government official, but in the hearts of the men and women who are America. There is fear that, as has been said recently by a Canadian philosopher, both America and Canada have pursued economic prosperity at the expense of everything else and have won exactly that—economic prosperity at the expense of everything else.

America has a slumbering heart—a heart that once responded to the spiritual challenge of a revolution fought to establish moral standards as the very basis of democracy and freedom. Our Founding Fathers understood these things with crystal clarity. In 1776 John Adams said, "There must be a positive passion for the public good, and public interest, honor, power, and glory, established in the minds of the people, or there can be no republican government, or any real liberty." And in his Notes on Virginia Thomas Jefferson wrote, "Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?"

Where are those elements in the People's Capitalism exhibit? How does America propose to use her good fortune to meet the world's needs? What is in America's heart? If others already fear that we have subordinated the spiritual values that are the foundation of our democracy to an economic and material god and to standards that have nothing to do with moral conduct, then the

People's Capitalism exhibit will go far to confirm those fears.

Where is the exhibit that will speak to people because it shows evidence that we are striving to raise in the modern world that "standard to which the wise and honest can repair" that was enjoined on the Constitutional Convention 169 years ago by George Washington?

I realize that these comments do not themselves offer constructive alternative material for an exhibit. The preparation of an exhibit for extensive overseas showing would require the greatest care and a searching effort to find the facets of American life, and the evidence of American convictions, that would carry a message of courage, strength, moral purpose, and faith in a future, to give to the peoples of the world. I should be glad to discuss these matters further.

Mr. HUMPHREY. Mr. President, when the distinguished senior Senator from New Jersey [Mr. SMITH] brought Mr. Cornell's analysis to my attention early in April, I wrote to the Senator agreeing with many of the criticisms which had been made of the People's Capitalism exhibit.

I ask unanimous consent that pertinent portions of my letter to the Senator of April 6, 1956, be inserted at this point in my remarks.

There being no objection, the portions of the letter were ordered to be printed in the RECORD, as follows:

The Honorable H. ALEXANDER SMITH,  
United States Senate,  
Washington, D. C.

DEAR ALEX: Thank you very much for your letter of April 2 and the enclosed copy of the letter you have written to Secretary Dulles about the exhibit, People's Capitalism. Alex, I agree with you completely and want to endorse everything you said in your letter to the Secretary. I think that Mr. Cornell's account is also precisely in point. Why is this point so hard for some people to grasp?

I am sure that you were as distressed as I was to read in President Eisenhower's speech to the National Advertising Council on the same day that you wrote your letter, April 2, that the People's Capitalism exhibit seemed imaginative to him. I was even more distressed to find him adding: "I don't know how many of you have seen it, but to me it is the kind of message that America ought to be carrying abroad. I would have liked to have seen some kind of adjective put between 'people's' and 'capitalism,' . . . something of the order of 'competitive' or something of that kind."

This statement by the President was all the more ironic because he went on later in his speech to stress the importance of our belief in "the dignity of man, the independence of nations, the right of people to determine for themselves their own faith"—rather than stressing the 150 gadgets in a new American kitchen.

I have lauded today the constructive elements of the President's speech. I am attaching a news release which says so in so many words. I wish I could similarly laud the President's endorsement of the People's Capitalism project and regret that I cannot.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, during recent weeks, I have been pleased to hear that the United States Information Agency was reconsidering some aspects of the People's Capitalism exhibit. This information was substantiated by an article appearing in the Washington Star on May 16, 1956, entitled "USIA Revising Exhibit on People's Capitalism." I ask

unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**USIA REVISING EXHIBIT ON PEOPLE'S CAPITALISM**

The United States exhibit designed to show people overseas how the American system of capitalism works for everyone in this country is undergoing changes in its individual displays.

The exhibit, named People's Capitalism, is the work of the United States Information Agency. It was based on an idea offered by the Advertising Council.

When it was given a trial showing in Washington last February, President Eisenhower and thousands of Washingtonians and representatives of foreign nations visited it. The USIA solicited suggestions from all visitors.

**CHALLENGED BY EXPERTS**

One of the comments voiced by several local museum experts was directed against the opening display in the exhibit, a copy of an old home labeled "This is the way Americans lived in 1776." The experts said that many of the house's furnishings dated from a later period than 1776, some of them from the mid-19th century.

One of the principal changes the USIA is making before sending the exhibit overseas this summer is to change the designation of the old house to read "This is how Americans lived in the time of Abraham Lincoln."

Another change will double the space given to the section on the cultural and spiritual development of the United States.

A third change is being made in the exhibit's final display, a prefabricated steel house designed to show how Americans have advanced through the benefits of capitalism. A USIA spokesman said the house is being revamped to make it less slick and give it a lived-in look.

**GOING TO NEAR EAST**

The Agency plans to ship the exhibit to India and the Near East sometime in the middle of the summer. A spokesman said the Agency hopes to line up appearances at a series of trade fairs in Asian countries.

He said USIA was not disturbed by the sometimes caustic criticism aroused by the exhibit here, especially concerning the old house.

"Our purpose in showing the exhibit in Washington was to provoke reaction, so we would know what to do with the show before we sent it overseas," he said. He said the problem of the date of the furnishings of the old house had been solved by simply updating the house to a later period.

Mr. HUMPHREY. Mr. President, at this point, Mr. President, none of us has any way of knowing whether these revisions will be major or minor, but I do hope that appropriate officials in the USIA will consider the considerable criticism which has been directed to the exhibit, and that they will redesign it so that it will give a meaningful representation of American life to the people overseas who are often more interested in democratic ideas than in refrigerators and bathtubs.

**POLITICAL PROBLEMS GREATER THAN MILITARY PROBLEMS**

Mr. HUMPHREY. Mr. President, Secretary of Defense Wilson and Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, testified earlier this

week before the Senate Foreign Relations Committee. I ask unanimous consent that an article about the hearing by Doris Fleson entitled "Radford Points to Worry Area," be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**RADFORD POINTS TO WORRY AREA—ADMIRAL SAYS OUR POLITICAL PROBLEMS ARE GREATER THAN MILITARY ONES**

Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, has lent his great prestige to those who contend that the Russians are beating the United States on the political and diplomatic fronts of the cold war.

The admiral expressed satisfaction with the country's military posture. He said that since 1950 we had generated a very great military strength which had prevented the spread of the Korean war and an attack on the United States. But he added:

"It is in the political and diplomatic field that we have to worry. The new Russian approach, their ability to talk sweet and disarm criticism, poses new problems for us in critical areas. There our troubles are greater than in the military field."

Answering a question by Senator HUMPHREY, he said he knew of no promise of aid to any nation made by the Soviet Union that it did not keep. He said he hoped the Russians would run into trouble as they expanded their promises, but he agreed with Mr. HUMPHREY that it would be an unwise assumption to suggest that they couldn't deliver on their commitments.

More reporters than spectators were in the caucus room when Foreign Relations Committee Senators questioned the Nation's top military man and his civilian boss, Secretary of Defense Wilson. At issue is the administration's expanded foreign-aid bill of \$4.9 billion.

It is now admitted that cuts in the program during the past 2 years were achieved by emptying the pipelines. Now they have to be filled again, hence the increase.

Senators recalled that the famous old hearing room was jammed to capacity and had a waiting line outside when Senator HUMPHREY heard witnesses recently on his bill to enforce humane slaughter upon the Nation's packinghouses. In past years foreign aid and military figures of Radford's eminence also have attracted crowds when they discussed the American position as compared to Russia.

Present apathy may in part be due to the fact that Americans now accept foreign aid as one of the disagreeable necessities of life in a cold war era.

It is also illustrative of the role the American Presidency plays in the creation and expression of the national will. So long as the President refuses to admit concern the public refuses to get excited. This is especially true of President Eisenhower in the military-foreign affairs realm where his experience has been so great.

A parade of witnesses has been appearing before congressional committees on the topic of countering the changed Russian policy, the successful Russian penetration of the Middle East and Africa, and Russian progress in nuclear weapons and general technology. That parade is growing very long.

Its message remains rather simple. The Russians are doing fine with their new life. We have still to devise a product to outsell theirs. Nor are all military leaders in accord with Admiral Radford that the Pentagon is more than holding its own.

Perhaps Secretary Wilson, whose natural candor occasionally bursts the confines of the teamwork imposed on all the Eisenhower administration, has given the answer to the lack of a creative new program. In so many words he told the Senators that the admin-

istration recognizes the new trend but hasn't been able to make up its mind where the trend is carrying us.

**LEGISLATIVE PROGRAM**

Mr. JOHNSON of Texas. Mr. President, on Monday there will be a call of the calendar.

Then it is proposed to consider the Great Lakes bulk cargo vessels bill, provided the Senators who are interested in the bill are present. That bill will be followed by the retirement bill. We have an agreement that speeches may be made on the retirement bill, but there will be no yeas-and-nays votes on that bill on Monday. We hope the retirement bill can be acted on Tuesday, and that we can then take up the agricultural appropriation bill.

The agricultural appropriation bill will probably be followed by the housing bill, and that will probably be followed by the highway bill.

We ought to consider all those bills next week, although they may not be considered in the order I have stated.

We also expect the Senate to consider the State-Justice-Judiciary appropriation bill sometime next week.

I am informed that there will be reported to the Senate during the week, very probably, the District of Columbia, the general government, the independent offices, and the Commerce Department appropriation bills.

So I want the Senate to be on notice that we shall consider perhaps 4 or 5 appropriation bills during the coming week and perhaps the early part of the next week.

**RECESS TO MONDAY**

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. JOHNSON of Texas. Mr. President, if there are no further statements to be made by any Senator, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 8 o'clock and 1 minute p. m.) the Senate took a recess until Monday, May 21, 1956, at 12 o'clock meridian.

**NOMINATIONS**

Executive nominations received by the Senate May 18 (legislative day of May 7), 1956:

**FEDERAL COMMUNICATIONS COMMISSION**

T. A. M. Craven, of Virginia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1956, vice Edward Mount Webster, term expiring.

**UNITED STATES DISTRICT JUDGE**

Frederick Van Pelt Bryan, of New York, to be United States district judge for the southern district of New York, vice William Bondy, retired.

**CONFIRMATIONS**

Executive nominations confirmed by the Senate May 18 (legislative day of May 7), 1956:

**NATIONAL SECURITY TRAINING COMMISSION**

Walter Bedell Smith, general, United States Army, retired, to be a member of the Na-

tional Security Training Commission for a term of 5 years; expiring June 19, 1961.

#### IN THE ARMY

APPOINTMENT AS CHIEF OF FINANCE, UNITED STATES ARMY, AS MAJOR GENERAL IN THE REGULAR ARMY OF THE UNITED STATES, AND AS MAJOR GENERAL (TEMPORARY), ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTION 206 OF THE ARMY ORGANIZATION ACT OF 1950 AND SECTIONS 513 AND 515 (C) OF THE OFFICER PERSONNEL ACT OF 1947

Brig. Gen. Harry Wells Crandall, O16238, Army of the United States (colonel, U. S. Army).

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (major general, U. S. Army), in the rank of general.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress.

#### To be major generals

Brig. Gen. Henry Kimmell Fluck, O415805.  
Brig. Gen. Henry Kirksey Kellogg, O286132.  
Brig. Gen. Ralph Julian Olson, O232882.  
Brig. Gen. Joseph John Scannell, O350527.  
Brig. Gen. Edmund Robert Walker, O291567.  
Brig. Gen. Edward Otto Wolf, O298530.

#### To be brigadier generals

Col. Noah Dwight Allison, O278182.  
Col. Cliff. Frederick Beyers, O267530.  
Col. Francis Halsey Boland, Jr., O233853.  
Col. James Charles Cairns, O285315.  
Col. Leonard Nichols Dunkel, O178133.  
Col. Gilbert William Embury, O233743.  
Col. Leslie Lee Evans, O246332.  
Col. John Simon Gleason, Jr., O398999.  
Col. William Joseph Hixson, Jr., O302021.  
Col. Graber Kidwell, O295004.  
Col. John Martin McGreevy, O278060.  
Col. Eugene Maier, O270647.  
Col. Theodore Henry Marshall, O235213.  
Col. Leon Lewis Mathews, O255628.  
Col. Fernando C. Mencacey, O278275.  
Col. William Eugene Miller, O283629.  
Col. George Poindexter Munson, Jr., O257114.

Col. Edward Anderson Pagels, O318906.  
Col. William James Sutton, O263659.  
Col. Harley Bruce West, O268317.

#### RETIRED LIST

Gen. Anthony Clement McAuliffe, O12263, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

#### To be major generals

Brig. Gen. Conrad Stanton Babcock, O16104.  
Brig. Gen. William Everett Potter, O17098.  
Brig. Gen. Carl Henry Jark, O17556.  
Brig. Gen. John Elliot Theimer, O17566.  
Brig. Gen. Henry Ray McKenzie, O17623.  
Brig. Gen. Barksdale Hamlet, O18143.  
Brig. Gen. James Lowell Richardson, Jr., O18232.  
Brig. Gen. August Schomburg, O18422.  
Brig. Gen. Edwin John Messinger, O18503.

#### To be brigadier generals

Col. Jacquard Hirshorn Rothschild, O18077, United States Army.  
Col. John Anderson Berry, Jr., O18473, United States Army.  
Col. Gunnar Carl Carlson, O18515, United States Army.  
Col. John Chandler Steele, O18668, United States Army.  
Col. Robert Augur Hewitt, O18713, United States Army.  
Col. Ray Joseph Laux, O42102, United States Army.  
Col. Joseph Edward Bastion, Jr., O19162, United States Army.  
Col. Chester Braddock DeGavre, O19262, United States Army.  
Col. William Beehler Bunker, O19402, Army of the United States (lieutenant colonel, U. S. Army).  
Col. John Lathrop Throckmorton, O19732, Army of the United States (lieutenant colonel, U. S. Army).  
The nominations of Julian Leo Abell and 356 other cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 1, 1956, upon their graduation, in the grade

of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification, which were received by the Senate on May 7, 1956, and which may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Julian Leo Abell, which is shown on page 7581, and ending with the name of Martin B. Zimmerman, which occurs on page 7583.

#### IN THE AIR FORCE

The nominations of Francis Marshall and 422 other persons for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on May 9, 1956, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Francis Marshall, which is shown on page 7797, and ending with the name of Marie L. Killwey, which occurs on page 7798.

#### IN THE NAVY

#### To be admirals

Vice Adm. Robert P. Briscoe, United States Navy, to have the grade, rank, pay, and allowances of admiral while serving in commands and other duties designated by the President.

#### To be vice admirals

The following officers to have the grade, rank, pay, and allowances of vice admiral while serving in commands and other duties designated by the President:

Vice Adm. William M. Callaghan, United States Navy.

Rear Adm. Carl F. Espe, United States Navy.

#### RETIRED LIST

Adm. William M. Fechteler, United States Navy, when retired, to be placed on the retired list with the rank of admiral.

The nominations of Asher P. Seip, Jr., and 1,051 other persons for appointment in the Navy, which were confirmed today, were received by the Senate on May 7, 1956, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Asher P. Seip, Jr., which appears on page 7583, and ending with the name of John B. Wyatt, which occurs on page 7586.

## EXTENSIONS OF REMARKS

### Observance of Armed Forces Week and National Broadcasting Co.'s Wide, Wide World Program

#### EXTENSION OF REMARKS

OF

### HON. ALAN BIBLE

OF NEVADA

IN THE SENATE OF THE UNITED STATES

Friday, May 18, 1956

Mr. BIBLE. Mr. President, the week from May 14 to 20 marks this country's observance of Armed Forces Week. I want to call the attention of the Senate to an outstanding tribute paid to our soldiers, sailors, marines, and airmen on Sunday, May 13, by the National Broadcasting Co.'s Wide, Wide World television program.

Conceived on the theme of power for peace, this program inaugurated Armed Forces Week, and enabled some 35 mil-

lion viewers from coast to coast to observe nationwide demonstrations by the Army, Navy, Marine Corps, Air Force, and Coast Guard.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD some further observations of mine about this program and Armed Forces Week which I believe are timely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR BIBLE

Using some 83 television cameras, the largest number ever assembled for one program, Wide, Wide World established the dedicated theme of Armed Forces Week when Dave Garroway, the narrator, said:

"There's nothing free about freedom. We don't inherit it as we would a building and just move in and live. It has to be bought and cherished and maintained. Each of us can add to the strength of the Nation—morally, economically, politically, and militarily. And out of this strength will come power—out of this power will come peace."

In presenting the various services, Wide, Wide World first introduced the Chiefs of Staff and Commandants of all our Armed Forces at the Pentagon. They, in turn, explained to the viewers the role played by each service in the defense of this country and as a deterrent to war, later presenting their commanders in the field in live demonstrations of "power for peace."

Through the eyes of television on last Sunday afternoon, the viewers of this Nation were able to see an Army demonstration from Fort Benning, Ga., an infantry-tank-artillery demonstration team in action, showing modern techniques and weapons used by today's Army and also, an airborne assault where the viewer was present with live cameras in the plane as the paratroopers prepared to jump and actually took part in the jump as one of the men carried a portable signal corps television camera with him in a graphic exhibition of combat television.

The Navy's participation included a special run by the U. S. S. *Albacore* off Long Island with live cameras above and below decks, a visit to the aircraft carrier *Essex* off San Diego as a parade of Navy jets were